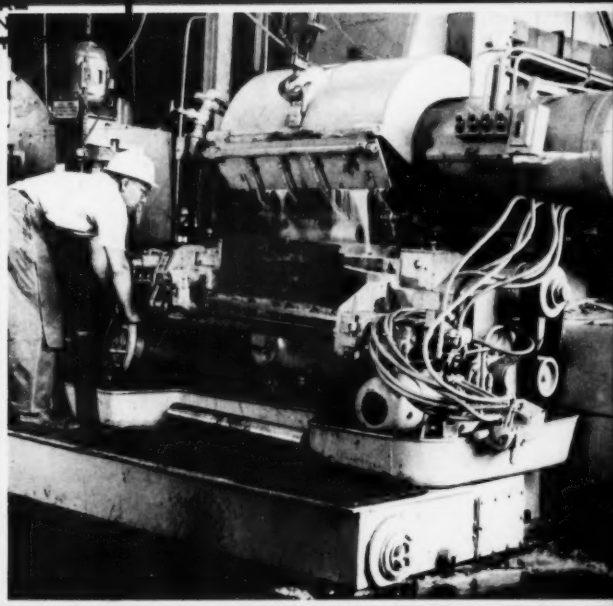


APRIL / 1959



Manage

CALIFORNIA
INSTITUTE OF
TECHNOLOGY
INDUSTRIAL
RELATIONS



- CURSE OF COMPLACENCY
- MANAGEMENT WASTE
- EDUCATION BANDWAGON
- MEDICAL CHECK LIST FOR SUPERVISORS



MARION N. KERSHNER

...from the executive vice-president

Report to the Membership

In many parts of the country April brings some of the first signs of Spring. It brings new signs of life in other ways, too. One way, in which we are most interested this year, is the national membership drive that hits its full pace this month. Already this project has given new spirit to old timers in the NMA.

It is difficult for me to write in just a few paragraphs the many advantages members of the NMA enjoy. But we have noticed that, although our programs and objectives are the same all across the country, different members have different reasons for supporting the NMA movement.

* * *

Perhaps the most important of all is the feeling of accomplishment that comes from contributing to the Association's work—both through dues and through our association with others with whom we exchange information and views. This is the opposite of counting up the material benefits of belonging. After all, we can only get results from any endeavor according to our investment of time and effort.

By contributing to the NMA movement we are offered an opportunity to join the greatest moving force dedicated to the betterment of supervisory leadership for the *whole* of American industry. It is this improved better leadership and atmosphere of professional management that will bring about the direct results we all desire.

Educational programs are the tools we use to enlighten ourselves and to develop our managerial capabilities. They furnish us with facts, theories, techniques, which add to our professional management development. They are a major part of our work toward our objectives.

(Continued on page 66)

No Give-Away —
but a darn good
DEAL!



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brings more news ...
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useful information ...
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INSIDE THIS ISSUE

Washington Report: Non-reforming Labor Reform bill authored by Senators Kennedy and Ervin will likely be reported out of committee after Easter.—Page 4.

Management Waste: Frank evaluation of management's weakest links in chain of command . . . key to worker dissatisfaction, need for union "security."—Page 14.

Phony Labor Papers: Unions and federal government fighting syndicates of advertising racketeers, intent on "gypping business firms."—Page 26.

Education Bandwagon: Everybody's climbing aboard to . . . aid schools, find talent, and provide better management training programs, in schools and plants.—Page 21.

ON THE COVER

Telescopic hoist sleeves are ground, honed and polished to tolerance of twenty-millionths of an inch (.000020) at Perfection Steel Body Co., heavy duty tractor and truck body manufacturers. MANAGE salutes the Automotive industry, page 34.

MANAGE is published monthly on the 25th by THE NATIONAL MANAGEMENT ASSOCIATION (formerly The National Association of Foremen) as its only official publication. Entered as second-class matter September 9, 1952, at the post office in Dayton, Ohio, under the Act of March 3, 1879. Printed in the U. S. A. Publication office 230 West Fifth Street, Dayton 2, Ohio. All address changes and publications returned under postal regulation 3579 should be sent to editorial offices in Dayton. Editorial and executive offices: 333 West First Street, Dayton 2, Ohio. Copyright 1959 by The National Management Association. Subscription rates: annual U. S., \$5.00; foreign, \$7.50; single copy, 50 cents. Bulk subscription rates upon request.

CIRCULATION THIS ISSUE: OVER 70,000, DOMESTIC AND FOREIGN.



Washington Report

....for supervisors

by Stewart French

The forecast for The Hill and Downtown (Congress and the Executive branch, respectively) is for storm and more storm—with supervisors and the National Management Association right in the middle of it. Occasion will be the Floor fight over the so-called "Labor-Management Reform" bill with its controversial section to down-grade several large categories of supervisors, making them mere employees and subject to compulsory unionization. This provision has been vigorously opposed in the Senate by NMA and other spokesmen for management.

There are umteen bills before both Houses of Congress dealing with labor-management relations, most of them assertedly sparked by need for reform legislation so dramatically shown by the McClellan rackets investigating hearings.

As of this writing, all are still in the Labor Committees of Senate or House. Measures fall into three general groups: The Kennedy-Ervin type, which is acceptable to most of labor, but is criticized by Administration and management spokesmen as not going far enough in the way of real reform; the McClellan-Barden type, which both labor and the administration think go too far in the direction of "union-busting," and the Administration's own proposal, which is by way of being middle-of-the-road. In the Senate, the Administration measure was sponsored by Senator Gold-

water, wealthy Arizona Republican who went to the mat with labor over the Right-to-Work issue in the last election and won hands down.

In theory, all measures are being considered equally. But the measure that will probably be reported by the Senate Labor Committee, which in this instance is the key unit, will be the measure sponsored by the powerful young chairman of the subcommittee holding the hearings, Senator John Kennedy of Massachusetts. Kennedy's bill is S. 505, and it is in this measure that the section downgrading supervisors, section 605, is set forth. If S. 505 comes out of committee with the section re-defining supervisors in it, chances are that it will pass the Senate and become law. (This doesn't by any means preclude a fighting chance that the section can be knocked out on the Floor. But once a bill is reported by committee, any amendment offered from the Floor, which is opposed by the committee, has two strikes against it.)

Section 605 of the bill would make a change in the definition of the term "supervisor" as it now appears in section 2(11) of the (Taft-Hartley) National Labor Relations Act (Manage: Mar., 1959).

This proposed change in Taft-Hartley admittedly is part of the "sweetner" added to the Kennedy-Ervin "reform" legislation to make the sections for union financial reports acceptable to the AFL-CIO and other elements of Big Labor. An amendment to Taft-Hartley downgrading supervisors is not part of labor-management reform, any more than are the other Taft-Hartley amendments of Title VI of S. 505.

❑ BIG LABOR'S BABY

At the Committee hearing, former Congressman Andrew Biemiller, who is now chief lobbyist for the AFL-CIO, reluctantly conceded, under questioning by Senator Goldwater, that if Title VI were dropped from the bill, the AFL-CIO would oppose the measure. As to section 605, the labor spokesman devoted a single paragraph in a lengthy statement to it. He said:

"The clarification of the definition of 'supervisors' proposed in section 605 is necessary at this time in order to put a halt to actions of the

National Labor Relations Board which have expanded the present definition far beyond its original intent. In our opinion, the re-definition proposed in section 605 could itself be improved by making clear that in order to be classed as a supervisor and thus excluded from bargaining units of nonsupervisory personnel, the supervisor's duties must include some measure of responsibility for the formulation or execution of management policy with respect to employees under his direction. This would prevent such employees as 'service assistants' in the telephone industry being held by the Board to be supervisory employees within the meaning of the act."

Careful reading of the 730 printed pages (so far) of the prolonged hearing bears out the suggestion in the former Congressman's testimony that the change in definition is sparked primarily by the desire of the Communications Workers of America (CWA), a strong AFL-CIO affiliate, to unionize certain supervisory telephone operators.

A statement submitted to the Committee by Joseph A. Beirne, CWA President, attacks the National Labor Relations Board because in three separate decisions the Board ruled that workers classed as "service assistants" were in fact supervisors. He complained that "if the rationale of these rulings were to be followed and applied among the companies of the Bell System, for example, it could result in more than 20,000 employees classified as 'service assistants' being removed from collective bargaining units and denied the right of union representation."

Twenty thousand members—dues-paying members in supervisory positions—ain't hay, as the saying goes.

MAJOR INDUSTRY BACKS NMA STAND

In addition to the vigorous statements before Senator Kennedy's subcommittee by the NMA and the Foremanship Foundation, with member companies of more than 200,000 foremen and other types of supervisory personnel, a number of other spokesmen for management opposed the down-grading of supervisors.

The Ford Motor Company, in a comprehensive, well-documented presentation, called the proposed change "a dangerous step backward," and asserted it was the Ford Company's "firm conviction that this proposed relaxation of the supervisory exclusion is unnecessary and unsound."

Again, the Shipbuilders' Council of America, a national association of employers in the shipbuilding and ship repair industry, told the Senate group in opposing inclusion of section 605 in the bill:

"The term 'supervisor' would be amended by S. 505 in a manner which would narrow the coverage of the term and bring more foremen or supervisors within the statutory category of employees and place them in the same collective bargaining units with the employees they supervise. Not only is the new language almost certain to cause years of confusion and uncertainty pending clarifying NLRB and court decisions, but also, it is a step in the wrong direction. If anything, the definition should be broadened to exclude additional classes of managerial employees."

Likewise, the National Metal Trade Association, an organization of small and medium-sized employers, told the Committee:

"We are opposed to any attempt to revise the definition of 'supervisor.' The provision in the Taft-Hartley Act defining the term 'supervisor' has been tested in the courts and it is generally known what classes of supervisory personnel are covered."

Washington, D. C.

3-25-59

W. T., Editor . . . Thanks no small measure to effective efforts of NMA and MANAGE, Section 605 of Senate bill 505 amended so only telephone service workers would be excluded from definition of supervisor. The bill, as amended, this day reported to the Senate.

Floor debate now scheduled for after Easter recess.—S. F., Washington Corr.

CURSE OF COMPLACENCY

by William W. Taylor

"Finally, brethren, whatsoever things are true, whatsoever things are honest, whatsoever things are just, whatsoever things are pure, whatsoever things are lovely, whatsoever things are of good report, if there be any virtue, and if there be any praise, think on these things." Philippians 4:8

STARTING THIS MONTH AND RUNNING THROUGH NOVEMBER there will be about 150 major labor contracts negotiated, affecting approximately 4.5 million workers.

For the most part, bargaining agents for the unions will be striking out for higher wages and for more and bigger fringes. Perhaps the most crucial of all new contract negotiations will be in the basic steel industry. Regardless of who or where we are the results of this bargaining session will make its mark upon each of us.

Before final settlements will be reached it is highly probable that a strike will accompany at least 75 per cent of the 150 contracts to be negotiated. Words will fly thick and fast. Names will be fired at both sides; at least, until a settlement is reached. Each side will be presenting dogmatic opinions supported by the usual "incontrovertible" arguments. Such nonsense!

All about us, in union halls, in executive dining rooms, in management clubs, in church gatherings and social clubs, we have been hearing a great deal during the past few decades about the "brotherhood of man." Statisticians tell us of the great new surge to religion, or rather, acknowledged membership in one faith or another. And more recently, we have been finding more and more listings of training courses which purportedly teach us to be more understanding of human behavior patterns, more tolerant of each other's little quirks and idiosyncrasies.

To a visitor from outer space we must look like a peculiar lot of confused earth dwellers who have learned little from past experiences and historic truths. The fightingest love-claiming group to be found. We have bred, along with a sincerely wholesome and honest people, a special breed whose particular job is to be as untruthful as necessary, or expedient, to advance the thinking and goals of the honest. To the outsider, we just can't make any sense!

Harsh words? Perhaps, but they are not false. Both sides of every group: Republican—Democrat, rich—poor, white—colored, labor—management, we

are all at fault. We just can't come to terms without exaggerating our statements to make our position look more honest.

The results of our frailty are manifested, oddly enough, in a complacency which tends to ruin the very things we hold most precious. We are cursed with an attitude of, "beat the other guy, at all costs, . . ." particularly if defeat will ruin our chances to make an extra buck. What about the consequences, the future, the next generation, and the next? Have we forgotten that regardless of the outcome, "I am my brother's keeper"?

Overly pious nonsense? Definitely not. Look around the plant, the office, the community, the nation and the world . . . and after some diligent searching find groups of people who have found how to be charitable, understanding, brotherly and successful.

• • •

Who was the best boss you ever had? He was considerate of the people working with him, regarding them as people rather than as things. And he was rewarded by respect and material success. Those companies and large corporations, whose management people were trained to be considerate and understanding, are always known by the low incidence of labor strife and strike down-time. Their policies are usually as well known and appreciated by the sweeper and office boy as they are by the top brass. Inequities, except in rare instances, are frequently resolved in short order with a high degree of honest evaluation.

Tendencies toward bickering and dishonesty have brought about us a choking chain of legislation which, if continued, will plunge our free-enterprise system into a state of complete subjection to government regulation. There will no longer be a need for labor or management. All the responsibilities encompassed by both groups will be in the direct hands of the government.

Certainly our political complacency has caused us to become exceptionally critical and has established a mass of chronic complainers. Had we exercised our duties and had given judicious thought to the circumstances, as they arose, we would have had less cause for complaint. And let's face it, American business, generally, has been the greatest offender in this regard.

Our anxiety about the strength of the labor organization, about the scientific progress of the Soviet Union and our own national defense has made us forgetful of that which we hold to be right and true.

The surest way to defeat the opposition, whatever it may be, is to prove the value, the justice, the honesty, the downright goodness of our point of view. Can we?

Letters to the editor

Thank you!

Sirs:

Although my wife and I both enjoy the cartoons that appear in *MANAGE*, we feel that some of this space might be used to better advantage through the reproduction of news photos . . . plant activities.

The NMA is made up, I understand, of a tremendous variety of manufacturing firms. Who are they? What are they like? What do they produce? I, and my wife, feel that better use could be made of some of the pages in an otherwise very helpful and interesting magazine.

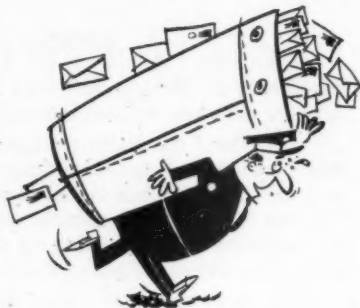
Keep up the good work, we really think that *MANAGE* is pretty good . . . S. R. Tillson, *New York City*.

Okays dues increase

Dear Sir:

Am greatly impressed with the new programs the NMA is coming out with. We just recently had our Club Leader Indoctrination program presented by our Zone Manager and I'm looking forward to attending the Executive Officers Workshop in Birmingham next month.

Members of our club would find *MANAGE* more interesting if it had some "new" news. The January report on "Business Morals" hit home



here. We'd like to see more like this one.

I, for one, am surely benefiting from the NMA \$2 dues increase . . . L. E. Alabama.

Permission Granted

Dear Sir:

In your January, 1958, issue of *MANAGE* is an article on page 10 entitled "Supervising Women" by Alton C. Kendall, and on page 15 from the February, 1959, issue, "Executive Selection" by Stuart Smith. Both of these articles would make for suitable condensation in a forthcoming issue of *SURPLUS RECORD*.

May we have your permission? . . . Norman Reissman, *Associate Editor, SURPLUS RECORD & INDEX*

He forgets we're people

Dear Sir:

I'm not a member of your Association because I work in a shop with my hands. My foreman is, though.

Now he's not a bad guy, but he could use a little improvement as a

LETTERS TO THE EDITORS

foreman. Now don't get me wrong, I don't want his job, I'm happy where I am. Sometimes I think he doesn't see things very clearly and forgets we're people, especially when a rush order comes down on the floor and there's a lot of pressure to get the job out last week.

Yesterday he put up on his office wall a copy of your NMA Code of Ethics. The word got around and just about every man in the department dropped in during the lunch hour to look it over. The place was buzzing.

All I got to say is—this is a fine thing and if my boss follows that Code of Ethics he's going to be a good foreman . . . (Name withheld by request)



News Briefs

By LES SIMON

Welded Products Month

FOR MANY YEARS WELDING has been taken for granted, but according to Fred L. Plummer, of the American Welding Society, there are 37 different welding processes recognized by the welding industry, and so important has welding become that the usefulness of metals today is judged by their weldability. April is National Welded Products Month and will focus attention on the 40th Annual Convention and Welding Show which will be held at the International Amphitheatre, April 6-10, in Chicago.

Eighty-one AWS sections throughout the country have been alerted and local plans include: proclamations by governors and mayors, co-operation by local industries, plant tours, department store promotions and civic functions.

Plans will help reveal the tremendous part welding is playing in the national economy from tanks, aircraft and rocketing, to jewelry and precision parts.

Suggestions Pay Off

"The employee suggestion idea has caught on by leaps and bounds" ac-

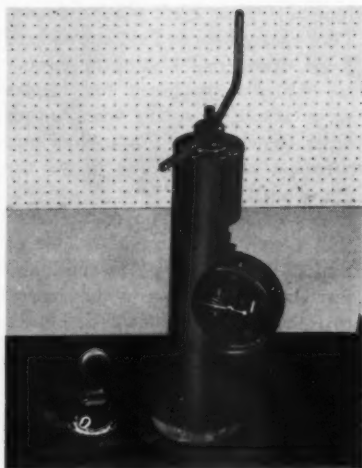
cording to Henry W. Newbegin, president, National Association of Suggestion Systems. Workers are closer to their jobs than anyone else and quite often they are in the best position to think of ways to improve efficiency. A suggestion box in the office provides an outlet for this creative thinking. This also provides a two-way channel of communication between management and workers.

In most companies cash awards are given for the best suggestions. For example, two blast furnace workers of the U. S. Steel Corporation's Gary works received an award of \$20,000 and an additional payment of \$12,000 bringing the total to \$32,000, for suggesting a way to recover molten iron from slag. This is the highest suggestion award ever paid in American industry.

Testing Bond Strength

... can be easy. By combining a Dillon Dynamometer with a screw jack and materials found in almost any metal-working shop, an efficient tensile tester can be inexpensively fabricated.

The testing assembly consists of two parts: (See picture above) (1) a hook with a plug that is anchored within or on the underside of the material to be tested, and (2) a Dillon Dynamometer integrated with a screw jack. The latter assembly is placed over the anchored hook so that the hook and the dynamometer clevis are joined. The



jack is turned slowly until the material being tested gives way. The instrument, at that moment, gives the actual bond or tensile strength in pounds.

Unreliability Costing Billions \$\$

Inadequate standards of product reliability are seriously cheating the American public. In satellites and missiles and even consumer appliances, performance criteria are being set on the basis of price—in a misguided attempt to save "pennies"—thus, costing the taxpayers many billions annually.

H. Thomas Hallowell, Jr., president of Standard Pressed Steel Co., cited costly satellite and missile failures, the \$20 billion annual consumer repair bill and the countless familiar everyday experiences of things

coming loose or breaking as evidence of an increasingly expensive situation of unreliability.

The American standard of living and the national defense both are now suffering and will continue to suffer unless steps are taken by both industry and government to rid us of the situation.

In the aircraft and missile field, the industry standard on many fasteners and related parts is 99 per cent reliability, and on the average, two failures out of every three attempts with a hundred-part mechanism occur.

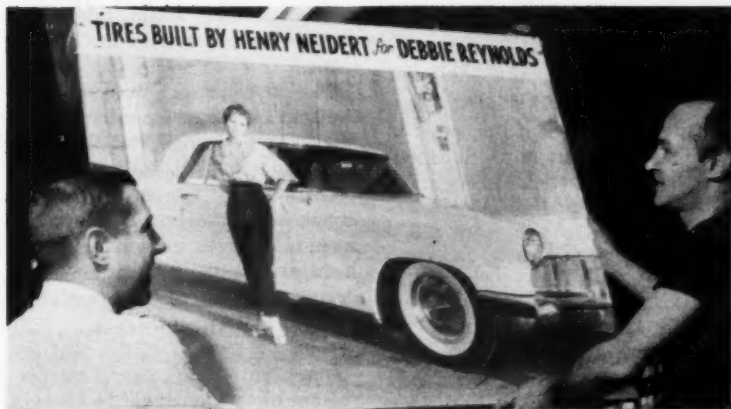
As a common symptom of unreliability afflicting American product and thinking—and seriously hampering the long-range economic competition with Soviet Russia—Hallowell cited this: One \$3½ million missile, proving on the launching pad to be no better than a leaky faucet, in that

it too failed because of a defective washer!

A Picture of Debbie

... inscribed "with love" made Henry Neidert, tire builder, very proud. Rubber workers at Seiberling Rubber Co. in Akron today boast a giant photo of the movie actress as part of some unique factory decorations.

The picture below is a copy of one she sent Mr. Neidert who unknowingly built her a set of tires. The tires were given to her after she helped host wives of Seiberling dealers on a movie set of her new picture. When Miss Reynolds sent Neidert an autographed picture, Production Manager, E. P. Schrank, gave it to Neidert along with a four-foot enlargement. Now the huge "pin-up" hangs prominently in the factory for 1,800 employees to see. This might prove interesting to try!



Management Waste

Many first-line supervisors are probably top salesmen for the labor unions.

A SERIOUS LACK OF CONSISTENCY in defining various areas of managerial authority has caused no end of confusion. In the realm of business and industry, as we know it today, management has become a complex array of sergeants and lieutenants, captains and generals.

It becomes necessary to use these military descriptions because our management terminology of foreman and supervisor, manager and superintendent varies, not only from industry to industry, but from company to company. In many instances it was labor which categorized the production worker. When it did, management established job descriptions for all personnel.

Who is the Boss?

So well did the unions do their job that now they are frequently in a position to dictate in which capacity a man may work. Although this is not the weakest link in the managerial chain it is, admittedly, a sore spot. Just who is the boss . . . labor or management?

With tremendous skill, of one kind or another, organized labor has successfully lobbied for passage or defeat of considerable legislation.

Labor has performed this function so well, in behalf of its members, that it has been increasingly successful in altering the measure of authority at various levels of management. In the currently proposed amendment to re-define the term supervisor (the Kennedy-Erwin National Labor Relations Reform Bill) labor leaders announced they would hesitate to support the bill without this amendment.

The re-definition would change the status of large numbers of foremen and supervisors, making them eligible to be considered a part of the production force. The entire argument is based, not on whether a foreman (or supervisor) exercises managerial authority, but to what degree or extent; what proportion of his time is spent managing.

It might seem from this that top management doesn't care what percentage of personnel will be brought

under the influence of unions. This is hard to believe. Quality of product and efficiency of operation has rarely, if ever, been maintained without adequate direction, supervision and authoritative management. But unless top management fully recognizes the true role of all levels of managerial authority, and particularly first-line supervision, there will continue to exist an exceedingly vulnerable area in the chain of direction.

This weakness was emphasized recently by Dr. Robert N. McMurry when interviewed by an IRON AGE editor.¹ The article in which his remarks were documented has been hailed by both management and labor alike. Typically, Dr. McMurry blames much of labor unrest on inadequate supervision and said, in part,

"Employers are seeking desperately for some means to offset the political, economic, and industrial force of unions.

"Many employers have been guilty of two futile approaches to union containment. Many try to buy union and employee good will. Others attempt to destroy the union by attacking it. Neither of these approaches is effective. Appeasement never pays; it only indicates weakness and opens the door to new demands or to continuing blackmail. Employee good

will can only be earned, never bought.

"The first fact to face is that the typical union member is neither simple and naive, nor is he a noble, selfless idealist. He tends to be an earthy materialist, characterized by great conventionality and insecurity. Unions exist because they satisfy a felt need on the part of their members. And as long as unions satisfy these needs, they will remain in business. When they fail, members will repudiate them at once.

"Generally speaking, weakness in top and intermediate management is responsible for most failures at the bargaining table. But it goes deeper than that. Weakness of first-line management is the key to most of the dissatisfaction at the worker level which leads employees to feel that they need a union.

"The weak supervisor usually falls into an undesirable pattern of behavior at the plant. He lacks decisiveness, fails to support subordinates, and otherwise acts in a manner that breeds insecurity.

"If the supervisor who creates anxiety were a rarity, he would present no problem. Unfortunately, in many organizations, especially where promotion is from within and much emphasis is placed upon seniority, many persons of this kind are to be found.

"Contrary to the popular belief, it is not the kind, fatherly laissez-faire supervisor who practices good "hu-

¹THE IRON AGE, Feb. 5, 1959, by Dr. Robert N. McMurry, prominent consultant in market research and industrial relations.

A frank evaluation of management's weakest links in the chain of command

• • •

man relations" who has his subordinates' loyalty. They may love him, but they will not respect him if he is weak. Weak supervisors are never supportive and they afford no security. With such leaders, workers are forced to turn to the union for security, and hence give it their allegiance. Steps can be taken to win and hold the allegiance of the workers. It is easy enough to establish this goal, but to realize it is much more difficult. This is because it will necessitate not only a careful and objective scrutiny of company practices and policies, but also an impartial inventory and appraisal of company executives and supervisors at every level.

"The key step in a constructive remedial program is the conduct of an impartial "Up" and "Down" study of the company and conditions as they exist in its plants, offices, laboratories and everywhere employees are found who are or might become members of a labor organization.

"The Up part is an employee opinion poll, followed by personal interviews with about 10 per cent of those polled. Those interviewed should be nominated by the workers themselves as the ones best qualified to discuss their associates' needs and problems. In this manner, contact is

established with the natural leaders, the determiners of what their fellows think.

"The Down portion should consist of a careful inventory and appraisal of each executive and supervisor as seen from above. This provides a double look at each, because in the course of appraising his juniors, each executive also unwittingly reveals a great deal about himself.

"This permits top management to ascertain its middle management's technical competence, fundamental personality makeup, inherent capacity for leadership, personality peculiarities, and aberrations.

"It is possible, using these techniques, to contain the power and influence of the union by shifting allegiance from it to the employer. Thus, starting at the grass roots level, some control can be exercised over the over-burgeoning economic and political power of the labor movement. At the same time, the employer stands to gain by greater productivity, less feather-bedding, fewer work stoppages and improved morale in general."

A Wholesome Change

Throughout the 34 years of its existence, the National Management Association has endeavored to assist managerial supervision in recognizing

its position on the team. Constant sociological research, and development of educational programs, has contributed immeasurably. All areas of supervision, including top management, can better understand the realm of responsibility, the very nature of authority and, perhaps most important, a comprehension of human behavior. Companies, which sponsor NMA clubs, and take part in its educational programs, have experienced a wholesome change in the behavior patterns of all members of management and production personnel.

Need for Motivation

Some of our greatest wastes in management lie in our inability to utilize the ingenuity of our foremen and supervisory personnel at all levels. Today, more and more management executives are realizing this necessity of maintaining fully informed, motivated supervisors. Com-

pany policies have to be appreciated by the production force, yet there can never be an understanding of these policies without the first-line foreman serving as an adequate channel of communication, both up and down the ladder.

Training of supervisors is increasingly important in order that they become capable of serving in this capacity as a communications link. However, as Dr. McMurry points out, the supervisor must be fully conscious of the backing and support of his superiors . . . if there be any. Certainly the efficiency of any given company is bound to be determined, in large measure, by the fine line drawn here at the first level of managerial function. If this is true, we owe it to both the success of the firm and the consequent future security of the worker . . . and supervisor . . . to consider and nurture more carefully the role and strength of Mr. Foreman.



This giant mushroom inside the Lockheed Aircraft Corp. plant at Marietta, Ga., is 40 feet wide, 80 feet long, and 20 feet high. Made of Nylon, coated with plastic, it houses a research team developing fabrication techniques to build the triple-sonic U. S. Air Force B-70 aft fuselage. The researchers needed a dust-free atmosphere for their work.

BUSINESS NOTEBOOK



by WILLIAM M. FREEMAN

BUYING A PAIR OF TICKETS for a Broadway show in the hit class isn't easy. It takes a good-sized chunk of money to pay for the tickets, assuming they're available at the box office and you ask for them several months in advance. Usually they have all been sold to theatre parties or to brokers, and it is necessary to—

Pay a Premium

—to a speculator to get them. That's the way everyone believes it to be, and the way it always will be, but the truth is something else again.

When just about every show on Broadway had a post-holiday slump recently, one producer went to great lengths to foster the illusion that tickets were hard to get. The idea, of course, was to encourage box-office traffic, on the theory that potential customers would work twice as hard to get scarce tickets and pay twice as much for pasteboards if they were difficult to get.

The producer's method of promoting this hard-to-get idea was to hire several dozen men and women to stand in line at the boxoffice all day. When the business day was over he gave every person in line a free ticket for the show, plus \$6. He had plenty of tickets to give away, of course, since his enterprise had discouraged potential customers from even attempting to buy tickets.

There are other gimmicks in advertising and promotion that seem more designed to discourage customers than to attract them. Some, in fact, seem to set out deliberately to—

Shock

—the reader or the viewer. Television commercials show a person's insides with all the queasy familiarity of a doctor's private office. Newspapers and magazines carry copy just as bad. Here are a couple of examples:

Pinelawn Memorial Park, a cemetery on Long Island, shows a young couple and their two small children visiting, with the headline, "Appeals to Young Families." (Are you a young family? Does a cemetery appeal to you?)

Mount Ararat Memorial Gardens, another cemetery on Long Island, suggests in large space: "This cemetery is for the living." (You're living, aren't you? Is this cemetery for you, or would you prefer to wait?)

Here's How—

The macabre approach could be used to serve a worthwhile purpose. WING, a radio station in Dayton, Ohio, offered free funerals over a holiday week-end. All you had to do to get one was to send your name and address to the station in advance of your holiday trip. Then, if you were an accident victim, the funeral would be on the house. This was public service advertising that worked. It dramatized the never-ending drive for highway safety by offering free funerals to "winners."

Some of these American ideas of—

How to Sell

—are being exported to Europe. Ideas based on the pioneering work of Sigmund Freud and others in Europe have been refined and expanded here and now are being returned to the land of their birth:

Social Research International, Ltd., overseas arm of Social Research, Inc., of Chicago, is opening a branch in Germany, to be called the Institut für Absatz-psychologie. It will apply in Germany the familiar American techniques used to analyze markets and study the outlook for success for specific products, packaging and marketing programs.

The A. C. Nielsen Co., market research organization also based in Chicago, is making plans to extend its operations to Japan, France and Italy. The concern now operates in many countries, assembling and digesting facts and figures to help

business in making and selling a product that is all but guaranteed to be wanted.

Such advance effort to find out what the customer wants went into—

Pre-Selling

—by the White Motor Co., assisted by the D'Arcy Advertising Co. Customers for White's trucks wanted vehicles that were a little lighter and perhaps a little more modern in appearance.

So White has just introduced a line of trucks that proves they don't need to be heavy to be strong. Sales indicate White was right. The line includes the industry's first transport tractor with a fiberglass cab and a lightweight diesel unit with aluminum components. The new White 5,000 is the first to utilize high-strength fiberglass to provide lightweight design, durability, style and safety. The cab, only 50 inches from front bumper to cab back, provides a weight saving of up to 1,250 pounds, which means that operators can obtain a greater cubic payload while remaining within legal limits.

Similar research has gone into learning the extent of—

The Teen Market

—and what teen-agers buy. The Eugene Gilbert Research Co., acting on behalf of "Teen Magazine, published by Petersen Publishing Co., Los Angeles, learned that teen-age readers spent \$47,000,000 last year for long-playing record albums, which is 17.7 per cent of the indus-

try's total sale of \$266,000,000. The Teen survey covered only the 13-17 age bracket among its 1,250,000 readers. There are several million others in the teen category, and the study estimates that total sales to all teen-agers took in over 67 per cent of all long-play albums sold in 1958.

Square Heads Out

Harry O. McCully, senior vice president of Russell, Burdsall & Ward Bolt and Nut Co., Port Chester, N. Y., believes that by next year the square headed nut will be obsolete except for a few special-purpose applications. He said the hex fastener could replace four other types and add greater strength and closer tolerances because flow lines in the steel are distorted less in heading hex bolts than in making the square types.

Odds and Odds

In England it's a lift; here it's an elevator. There they speak of a spanner; we mention a monkey wrench. Their boot is our car trunk. And so on. The differences are taken for granted. But it is a little surprising to note that the National Biscuit Co., which sells in this country, offers only crackers and cookies, not biscuits, as they are known in England.

Some 200 neighborhood theatres

in New York and several midwest cities are attempting to build up trade by offering tickets at half price to persons over 60. The plan is going over very well, even though applicants for the reduced price are required to prove their age.

Let's Use the Best

To make Strawberries Romanoff you take rich French vanilla ice cream, brandy and Cointreau or Triple Sec. This is a luxury dish, and it is by no means for those who are counting pennies. So it is interesting to note that the Plaza Hotel in New York, which caters to the very social and the wealthy, leans to using domestic brandy—Christian Brothers, made by monks in California—as the best to use in preparing this super dessert.

Speaking of dessert, have some penicillin. It now comes in a dozen or more delicious flavors, among them peach, banana and pineapple.

Do you have a bathtub? A television set, too? Which is more important? The television receiver manufacturers have just come up with figures to the effect that there are 42,000,000 homes in this country with one or more television sets and (hold still!) only 41,000,000 with bathtubs.

The man who really wants to do something finds a way, the other kind finds an excuse.

They tell me an optimist laughs to forget, and a pessimist forgets to laugh.

EDUCATION BANDWAGON

The challenge of education
has again reared its head and the
bandwagon is getting crowded

ALL OVER THE COUNTRY there are signs that everyone is climbing back aboard the education bandwagon. From college campus to high school corridors and to industrial conferences there is again arising a great surge to learn more about more things, and especially people.

During the period of the recent recession the lack of job-security of engineers and technicians left its mark on the engineering schools. For the first time in several years 1958 enrollments at these institutions showed a marked decrease. (See chart, page 24). Though the need is no longer as pressing, there is still a shortage of engineers and, more particularly, mathematicians.

Sharing the shortage spotlight with the mathematicians are the social scientists. Graduates in both of these areas will be in increasing demand, both in industry and in education, for the next decade. Industry is feeling the pinch and, as in previous years, is trying to do something about it, through financial



assistance to schools as well as varying types of scholarship programs.

Math is too Tough

One of the reasons for the shortage of mathematics students, according to Dr. J. Sutherland Frame, head of the Michigan State University math department, is that math is too difficult for many college students. Ignorance of the fact that mathematics is a profession in itself, not merely a tool in other professions, is another reason. Dr. Frame said that, "In 1956, the M.S.U. placement bureau listed 265 openings for math teachers in Michigan. We had only 14 graduating math majors with teaching certificates and only nine of these filled positions listed." (M.S.U. normally provides about one

**Engineering student shortages
industrial aid to education
management training
all are aimed at improving
efficiency in management**

fourth of such vacancies in the state).

"Industry," Dr. Frame added, "has found it simpler and cheaper to test a proposed product with an equation than to build a model and try it out. The industrial mathematician's job today is not so much to solve problems as to formulate them and let giant electronic computers do the computation." According to a recent estimate, 70,000 math scientists, including 10,000 with doctoral degrees, will be needed for computer work alone by 1963. According to Dr. Frame there is little likelihood that there will be even 5,000 math Ph.D.'s by that time. And most of them will be working in phases other than computing.

A number of firms throughout American industry are turning more and more attention to the field of social science. Actually this field is still pretty vague to many business organizations, but those who have recognized the values to be received are beginning to grope wildly for highly-trained specialists.

Big Talent Hunt

The social scientist is the individual scientifically concerned with such

phases of business operations as labor relations and market research, human characteristics and performance analysis. The Wall Street Journal* stressed the great shortages, in a recent article, stating that industry must seek highly talented social scientists rather than just well-informed sociology graduates.

Many schools have devoted considerable research in the area of social science to establish answers concerning human motivation and management decision making. For example, Columbia University and the University of Michigan are two schools which have done outstanding work in this research, but none of the schools have training centers which specialize in producing professional research scientists. The Wall Street Journal again, in quoting a top research official of one firm stated, "You can't hire a man who has just taken a few sociology courses in college, he'll get completely lost. On the other hand, if you try to hire some high-powered professor, chances are you won't even be able to understand what he tells you."

*The Wall Street Journal, Feb. 11, 1959

High School Revolution

Many educators have long felt the need for an overhaul of the present high school education framework in order to better prepare students for their college training. Dr. Frame, for example, feels that the high percentage of math failures in colleges are due primarily to inadequate instruction in high school. The heat was put on recently when Dr. Alvin Eurich of the Fund For Adult Education insisted that educators radically alter structure of high schools.

A special report, financed by the Adult Fund and made for the National Association of Secondary School Principals, suggests a complete revolution, to take place during the next ten years. Specifically the recommendations call for classes of 100 or more students, meeting three times a week and occupying about 40 per cent of a students' time. Discussion groups, consisting of ten to 15 students would discuss subjects presented in the larger classes and would take up another 20 per cent of the student's time. Independent study or special projects would account for the remaining 40 per cent of time, with limited supervision, placing the student on his own initiative.

Placed on his own, the student could go as deeply as he wished or was able to go, hastening his maturing. The teacher, as in most colleges, would be less of a taskmaster and would be able to serve more as a personal consultant to his students.

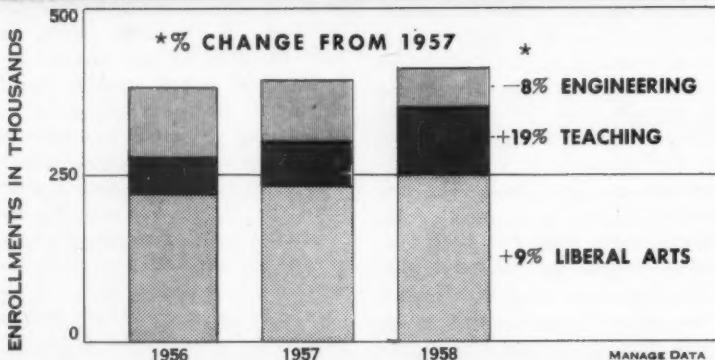
In a given school, with some 400 students, instead of having 16 teachers of equal rank, the students would be taught in the large classes, by five specialists holding master's degrees. Five general teachers would sit in as discussion evaluators or consultants, supported by assistants with lesser teaching responsibilities. The salary budget for such a team would be slightly less than for the 16-teacher staff. A major difference would be that the five specialists would be receiving a higher salary than most present teachers with a professional career ladder of instructors developing.

In substance, the proposed plan strikes at the two greatest needs now prevalent in the high school framework: 1—smaller classes, and 2—higher pay for teachers. The report contends that educational problems can be solved, not by spending more money, but by spending it in different ways.

Industry Climbs Aboard

Since industrial progress can be measured by the quality of the graduated student, industry is concerned about the functions of our academic centers. For years, large corporations have been lending financial assistance to schools and universities throughout the country. Special scholarships have been established to obtain top students in specialized subjects. Just recently more and more companies have announced plans for this type of participation. A program designed

ENROLLMENTS OF FRESHMEN



to aid educational institutions in their over-all programs and encourage the study of science and engineering has recently been announced by the American Viscose Corp., producers of man-made fibers and films.

Seventy-one colleges and universities will benefit by the company's aid-to-education plan next year. "Scholarships, fellowships, grants-in-aid, and assistance through educational foundations are included in the program," said Henry H. Bitler, vice president. Scholarships and fellowships are to be awarded by the schools on the basis of scholastic merit and need. American Viscose takes no part in this selection, nor are the students under any obligation to the corporation.

A little different approach was made recently by Pitney Bowes,

Inc., the postage meter concern. The firm recently announced establishment of a Matching Educational Gifts Program, which provides that the company match its employees' contributions to universities and colleges. With five dollars as the minimum, Pitney-Bowes will match any employee's gift, or gifts, up to \$500 in any one year.

In explaining the program, Walter Wheeler, Jr., president of the company said, "The nation has never known a time when its need for educated men and women was so great." Meanwhile, the colleges and universities of the country are already overcrowded, and are finding it ever more difficult to finance their operations." Although Pitney-Bowes has for several years offered financial aid to educational groups, the matching

gifts program, which a number of companies have, was established to encourage personal giving.

Training Enrollments Going Up

Members representing every level of company management will be found these days attending all sorts of conferences, conventions, seminars, and special courses in order to take full advantage of a host of different programs designed specifically for training management people. With the exception of the self-help workshops and other courses offered by some schools, management is picking up the tab for this education.

From all present indications, enrollments at such training sessions, during the current year, will exceed any figure heretofore established. The complexity of business management, developing during the post-war era, has made further education for all members of management almost

mandatory. In addition to the in-plant training programs designed primarily to acquaint workers with company methods and techniques, managerial men and women are attending classes with emphasis on executive development and human behavior patterns. Most of this management education is provided by companies in cooperation with professional associations and societies.

Record enrollments in programs sponsored by The National Management Association attest to the high degree of importance placed on such training by top management. The conferences now scheduled report an unprecedented enrollment and the NMA April "Unity in Management" seminar was over-subscribed even before it was officially announced. The planning for these educational and training programs offered to management personnel is carried on by professional educator staff members cooperating with the graduate schools of many of the nation's universities. Although the NMA programs cover a wide field of specific areas of training, a continuing research is carried on to assure adequate programming for the future. Even here, the goal is to establish a well-rounded supervisor cognizant of the need for better human understanding; a concept which is now highly endorsed by top management and universities alike. The challenge of education has again reared its head and the bandwagon is getting crowded.

GRIEVANCE COMMITTEE



"Thank you, . . . and now for our grievances."

Beware...

The PHONY LABOR PAPERS

by Alfred K. Allan

THE BUSINESSMAN lifted the receiver of the clanging telephone and put his ear close to listen. "We understand that you are a friend of labor," said the sweet-sounding voice on the other end of the phone.

The caller identified himself as an officer of a union newspaper. "Our paper is sponsored by the AFL-CIO," the caller insisted. "We would like you to buy some advertising space in our newspaper." The businessman said that he didn't want to buy the ad. Suddenly the caller's voice became more firm. He implied, without actually saying so point-blank, that the businessman might have labor trouble, even walkouts or plant damage, if he didn't buy a high-priced ad in the union paper. Despite the threats, the businessman still refused. Nevertheless, he received a fancy bill in his morning mail for his "friend of labor" ad.

AFL-CIO President George Meany emphasizes that, "The AFL-CIO vigorously condemns these so-called labor publications that solicit advertising from business concerns by high-pressure methods."

Since the merger of the AFL-CIO the number of phony labor papers has markedly increased. These racketeers usually work out of dusty "boiler rooms," with a few desks and

a battery of telephones. They are doing a thriving business gypping businessmen.

In August, 1957, federal authorities swooped down on an advertising agency in East Hartford, Connecticut, and arrested its president for promoting a mail fraud that had clipped businessmen of "several million dollars."

The agency operated in four states—Connecticut, New York, Illinois and Rhode Island. Using the long distance phone and the mails, the outfit solicited ads for phony union publications. When the federal agents opened the agency's books, they found that the outfit was heisting \$30,000 a week from frightened and gullible businessmen.

In New York City, late in 1956, detectives from the office of Brooklyn District Attorney Edward Silver smashed into the hideouts of two phony labor papers and held eight men for questioning. The solicitors for the outfits had claimed that their papers represented the AFL-CIO. Actually, neither paper was indorsed

by *any* legitimate union. Both papers also claimed that they were published monthly when in fact only 600 copies were run off, four times a year.

The hub of the racket is the phone men. It's their job to talk to businessmen on the phone, and fast-talk or force them into buying ads. "These men have hundreds of victims," D.A. Silver reveals. "Their take runs into many thousands of dollars and the phone men get 40% of what the suckers send in." One paper showed a yearly profit of \$250,000!

The racketeers set up shop in the big cities—New York, Philadelphia, Chicago and San Francisco. It is believed that there are about a dozen fraudulent labor publications operating right now out of the New York city area alone! They like to call prospects by long distance, to impress and frighten businessmen with their importance. They'll work an area for a little while, then they'll move on when it seems like the law is catching up with them.

The Federal Trade Commission waged a tough three-year battle against one labor paper, "The Trade Union Courier." It began in 1952 when FTC investigators uncovered 16 instances where the Courier had billed businessmen for ads they'd never asked for. The evidence continued to mount against the Courier until in 1955 the FTC ordered the publishers of the paper, "to stop representing that its bi-weekly newspaper has been endorsed by the AFL."

In the forefront of the fight against the phony labor papers is the International Labor Press Association, comprising 250 official AFL-CIO publications. Membership in the Association is restricted to those labor publications which are under the discipline of the AFL-CIO and who adhere with complete fidelity to the Association's strict code of ethics. The code stipulates that, "member publications will not employ high-pressure, long distance telephone solicitors or accept or publish advertising through such methods." Also that, "member publications will make NO claim or suggestions directly or through salesmen that the purchase of advertising space can accomplish anything for the advertiser beyond winning consumer acceptance or approval of the advertiser's product or services."

The Association's Secretary-Treasurer Bernard R. Mullady reveals that, "Most of these phony labor paper operators have one thing in common:—their refusal to send their proposition through the mail. Insistence on this manner of submitting a request by the person approached will usually end the solicitation effort."

AFL-CIO President George Meany advises businessmen, "to consult central labor body officials in their own community or the International Labor Press Association before placing advertising in any questionable labor publication."

Beware . . .

COMPANY MAN

at work

by "Margie"

*Oh, why, oh why, did the fates decree,
That a "company man" should marry me?*

*I owe a lot to my husband's position,
But our social life dies of malnutrition.*

*The hours he keeps are a crashing bore,
Too bad there are only twenty-four.*

*If my darling could, he would contrive,
To spend a relentless twenty-five,*

*To turn the trick for his good employer,
And return a fallen, exhausted warrior.*

*Oh, why, oh why, did the heavens plan,
That I should marry a "company man"?*

MEDICAL CHECK LIST



Directed to the supervisor, here are some questions and answers especially prepared for Manage readers.

PROLONGED ILLNESS STRIKES over two million employees annually! This costs American business and industry \$1,700,000,000 in productive time lost. It costs you and the men you supervise, either directly or indirectly, through insurance, \$700,000,000 in medical care.

The chances are one in 25 that you will have an illness of four weeks or longer in 1959; they are one in five a catastrophe will strike you in the next five years. And this applies to all the men in your plant.

Hardest hit are the production line and experienced workers who can least be spared. Prolonged illness and absenteeism rise with age, particularly in plants which do not practice *preventive maintenance* on their men. These illustrations show the cost of non-industrial illness, the biggest cause of absenteeism. Industrial and occupational illness are more obviously something we can prevent.

What Can the Supervisor Do?

There are a number of motives which motivate you. Of course, you



want to do a good job and have a shop that looks good to the boss. Any help you can get will be to your advantage. You also look to the time when you'll be promoted and you try to understand the entire organization and its functions, to prepare yourself toward that day.

Medical and safety programs have much to offer the supervisor of a department in his aim for a better shop. And these programs have much to offer company management. Perhaps you never stopped to think how you could use your company's industrial medical program to your

advantage. Or, perhaps you never put yourself in the management bracket where the use of medical and safety programs was studied. The more you know of the benefits the better equipped you'll be to discuss these things in supervisor meetings or when problems arise.

The following set of questions is

designed to give you material to think upon. There are no answers, just questions. But some supervisors have found that the answers to these questions helped them be better supervisors, to understand their company better, and thereby to help them get ahead.

Try this check list on yourself.

CHECK LIST



1—Do the men in my plant have pre-employment physical examinations? When personnel sends a new employee to my department do I have reasonable assurance he is in good health? If this is so, there is less chance I'll put a man with a bad heart into a job where the strain will kill him. Men with diseases that cause them to black out won't be driving cranes or trucks and endangering their own lives and the lives of their fellow workers.

Of course, this doesn't mean I will get men without any defects. It means that management, working with the medical program director, will put men into jobs they can do safely. As the man who knows the

jobs best in my department, do I have a voice in placement . . . a chance to discuss them with the doctor if there is any health defect?

2—Do my men get periodical physical check-ups? I don't mean thorough physical examinations. But about once every two years does a trained observer (a doctor) look them over and tell them if there is anything they should attend to? Many physical defects, if found early, can be cured or at least controlled. Do I take an interest in this program and see that my men and I keep our medical appointments? Do I do my part to keep my men in shape? Never in our history has there been a time when we did not need trained men.

3—Have I any idea about when my plant should have a nurse on duty? Or let me ask if I know when it's practical or economical to have a nurse or dispensary? Should we have a nurse for 50 men? For 500? And do nurses work well without doctors around? Should my nurse report to the personnel man, to the plant manager, to a part-time physician? What is the channel of command? What is my relationship in the administrative structure as a supervisor with our plant nurse?

4—What sort of medical advice do I need in my department? What has our plant physician got to offer which will help me keep my men on the job?

5—When the scare of an epidemic of influenza was being publicized in 1958, did our plant have medical advice about saving production by giving employees flu shots? Did we spend money to give the shots hoping to keep the men on the job? What happened to the epidemic? If we didn't spend money for shots were we taking a needless risk?

6—Suppose management or personnel sends me a man with heart

trouble or diabetes . . . will he be a safe worker? What's the margin of safety? Can the plant medical department answer my questions on this subject?

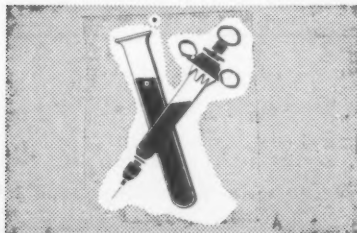
7—If we have a nurse should I have her check everyone when they come back to my department after



a sickness absence? Does it make any difference whether they have been off for a day or a month? If the men are checked needlessly, then we're wasting time off the job. If they don't get checked when they should, then I may be exposing other men to some illness and we may lose more productive time.

8—Do I know that factories without medical and safety programs have accident rates twice as high as those which do have programs? If this is so, could I cut my loss from accidents in my department by using the medical department's help? If I have a good, safe department with a low absence rate it will look good on my record. How may I use the services of the medical department to this end?

9—Do I know that insurance rates are generally 24% lower for factories with medical and safety programs?



If this is so, I may be able to make profit on the program.

10—Do I know that industrial health is less than 10% "finger wrap-



ping"? The less treatment we need for emergency illness and accident the better the program. We used to think all we had to do was patch up our fellow if he was unlucky enough to get hurt. Now the whole slant is to make the factory safe in the first place. Safe from a mechanical stand-point; safe from a medical stand-point—no toxic materials, healthy workers, good sanitation, emotional health, and more and more.

11—Does our doctor or our nurse know the workings of my department and its processes? If they do not, I'm not getting my money's worth from our health program. How shall I educate our medical de-

partment to the needs of my department?

12—Can I or any one of the men feel free to drop into our dispensary to talk over some personal problem with the doctor or the nurse? Should our plant pay a doctor or a nurse to talk to people about our personal problems? Would this keep us on the job at times we would need to be absent to seek help elsewhere?

Well, Do You Practice Preventive Maintenance on Your Men?

There are a lot of other questions you could ask yourself about the art and science of *preventive maintenance* on people.

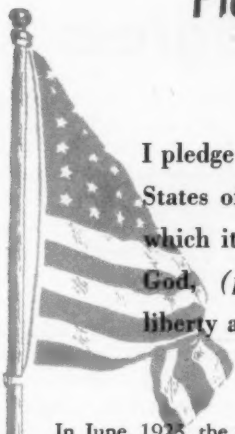
Almost all large companies have medical and safety programs. Smaller plants might ask why? Do these companies practice charity on their employees, or are they giving them the medical program as a fringe benefit? Are there real dollars and cents values in such a program?

The answer to this question, Mr. Supervisor, is simple. Medical programs cut loss, increase production . . . in short . . . *they make money*. Learn to use your plant medical program to *your* advantage.

Next Month...

The second in this series will consider the employment of heart patients, in your May issue of MANAGE.

Pledge of Allegiance to the Flag



I pledge allegiance to the flag of the United States of America and to the Republic for which it stands, (*pause*) one Nation under God, (*pause*) indivisible, (*pause*) with liberty and justice for all.

• • •

In June, 1923, the wording of the *Pledge of Allegiance to the Flag* was changed to include the words ". . . of the United States of America. . . ." The phrase was instituted at the request of the First National Flag Conference held in Washington, D. C. Again, on Flag Day, June 14 of 1954, it was once more altered to include the words ". . . under God. . . ." This change was effected by Public Law 83-396. Thus it stands as presented above.

However, wherever Americans gather . . . in schools, fraternal meetings, and NMA meetings, no one recites the pledge with the same pauses and inflections. At the request of many MANAGE readers, we searched out the proper authority and present the pledge, together with notations for pauses as they should occur. Our authority: The Library of Congress.

We add that a program of education (as to correct recitation) is currently being sponsored by the American Legion Auxiliary units throughout the nation.—Ed.

America's Industries

Automotive Progress



ONE ARE SUCH OLD-TIMERS as the Auburn, Essex, Nash, La Salle, Graham-Paige, Hupmobile and a host of other familiar pioneers in the automotive scene, but their off-spring are carrying on in conformity with a tradition that has contributed immeasurably to our American culture.

Truly a great part of the national scene for over fifty years, the ability of Americans to manufacture automobiles for every conceivable purpose has been proved beyond doubt. The Willy's Jeep came forward during the second World War to demonstrate automotive ingenuity on the battlefield. Luxury cars and trucks made in America can be found the world over, and the only serious competition has come recently from the European manufacturers of the small sports car.

Further offspring of the industry,

such as tractors, bulldozers and huge earthmoving equipment have been transported to all corners of the world to provide other nations with modern tools and transportation. American-made tractors are now cultivating fields in Haiti and in Japan while sultans ride proudly about their respective domains in smart new luxury cars shipped from Detroit, U.S.A. It is a smaller world because of the automobile.

The history of the automotive industry has been one of changing production concepts and manage-



Continental Hardtop



Ford Convertible



*The old-timers, and the present models,
have all contributed to our American cul-
ture and have made the world smaller.*

ment techniques. It was here that organized labor gained strength through the huge numbers of production workers who were pushing out hundreds of thousands and finally millions of cars each year. The relationship between management and labor in the industry has not always been an easy one. Production records have been pock-marked with downtime resulting from strikes, until today the automotive worker is one of the highest paid hourly-rated employees in the manufacturing field.

The industry was battling the recession along with everyone else and many companies felt they were fighting a losing battle, consequently 1958 provided them with cause for a united bargaining front. Demand for cars was down, softening public pressure when it came to renew union contracts. After considerable negotiation, the final package agreement was pretty much the same as the auto makers had offered at the outset. And with it, went a three year contract. It is generally felt

that the auto companies had come out on top, having put up a unified front in their talks with the UAW.

While some of the old auto names still linger on they are associated with one or the other of the Big Three or the "other two." Among the Big Three, GM leads the field with Ford and Chrysler following in that order. A combination of two old-timers makes up the new corporate name of Studebaker-Packard, now producing the Lark, which is bidding strongly for small car recognition. Leading the small car market on the domestic scene, however, is AMC's Rambler. Forming the backbone of George Romney's American Motors Corp., are such familiar old names as Hudson and Nash.

A Point is Proved

Although the Big Three have been making overtures about new small car models, none have made definite commitments as to just when they'll make their appearance or what they'll be called. But it is virtually certain that each will have



Imperial Hardtop



Chevrolet Convertible

a model among the 1960 offerings . . . if not before then.

It would be hard for anyone to deny that it was American Motors' Rambler, together with increasing foreign car imports that provided the Big Three with ample proof that there is a definite market in America for a smaller family car. Studebaker-Packard's Lark has not been standing still in its efforts to add to that proof. Their goal for March production was 19,000 units as against 4,100 units last year. In 1958, better than 380,000 foreign cars were sold state-side, almost double the 1957 figure.

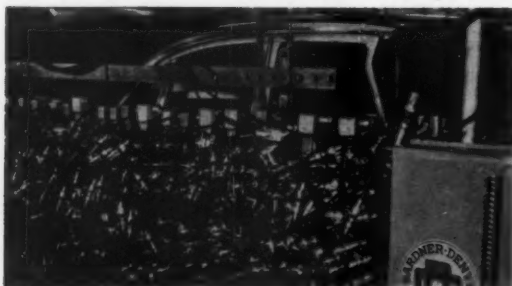
Rambler figures went sky-high from 98,000 in 1957 to about 197,000 last year, making it a boom year for AMC. Enjoying a \$26 million profit, Rambler producers are currently in an expansion program designed to boost capacity by at least another 30 per cent.

Current Production

The month of March proved to be the best production month the in-

dustry has had in some time. Although still in line with the "average" for 1950-57, March production was about 60 per cent ahead of the monthly figure last year. However, March must always be the big month if the annual production goals are to be met. Manufacturers try to build up inventories to supply dealers with sufficient quantities for spring buying. So far, from this standpoint, the industry looks like it is getting back into harness. Not all makes are enjoying full or even near-full production rates, but the averages for the parent corporations look healthy.

Auto company officials in the Detroit, Dearborn, Pontiac and Flint areas are not the most approachable people when it comes to making sales announcements, but it is generally agreed that one of the most spectacular onslaughts has been, and is being made by Ford's Thunderbird. Early in March it was said that the Lincoln-Thunderbird plant at Wixom, Michigan, was operating



Portion of an automobile assembly line with 113 "Airfeed-rills" arranged in a panel to drill all the auto body's trim-holes in less than six seconds.



Cushion type tires being pressed on wheel rims at Clark Equipment's Battle Creek industrial truck plant, makers of gasoline and electric powered automotive materials handling equipment.

with a 60,000 order backlog, a truly enviable position.

Using last month as the production guide, it is interesting to note that Ward's Automotive Reports had made the following production breakdown: (March '59 as against March '58) General Motors, 270,000 against 197,000; Ford, 154,000 against 90,500; Chrysler, 102,000 against 55,400; American Motors, 31,000 against 10,000; and Studebaker-Packard, 19,000 against 4,100.

Economy Minded Buyers

It is now being conceded that people are buying the least expensive of any of the models offered. Perhaps this is one of the factors which is leading GM, Ford and

Chrysler into the small car field faster than they may have desired. People are more economy minded, and even those who are seeking the bigger cars are doing so more economically.

From this same standpoint, it is the car owner who pays the gasoline prices and the accompanying taxes. If he can get a unit that uses less of that commodity he'll do it. The smaller car is one answer. If he isn't ready to make that switch, he'll be found buying the least expensive of his traditional favorite from among the larger makes.

Search for Materials

With each of the Big Three operating tremendous research engi-

Northwestern University will pay tribute to the automotive industry, during April, when it observes its fiftieth anniversary of engineering education. Among the speakers later this month, will be Mr. A. A. Kucher, Ford V.P. who will outline some of his company's planning dreams for the future.

neering and technical development centers much can be expected from their staffs in the future. Literally acres and acres of suburban Detroit have been converted into huge centers of development, testing and re-development.

Creation of these monstrous research centers has consequently brought about whole new communities lying on the fringes of the great Motor Capital of the world. Detroit has actually brought the entire southeastern corner of Michigan into one big sprawling community. Actually made up of several villages and suburban cities, new neighborhoods of several thousands are now

taking over where farms were prospering just a few short years ago.

Same Old Four Wheels

Out of these centers will come the cars of tomorrow. Today, however, it is a series of materials testing, designing, model building and dreaming. Basically, the research staffs will all tell you that their main problem is still concerned with providing for the ultimate in passenger comfort.

New energy sources and fuels will be required to power units of the future. They will be smaller and more compact and will provide greater power, leaving more space for passengers in a car that will still run on four wheels and with a body size similar to this year's models. In short you'll still recognize it as a typical automobile, but with customary styling changes to make the competition more keen and obsolescence more rapid.

The search for new materials goes on, both for propulsion units and body construction. For example, materials used in the propulsion units

Next Month...

In its salute to American industrial organizations, MANAGE will offer a report on the nation's Food industry in the May issue. From cereals to steaks, we'll take a look at what . . . and how much we're eating, but no recipes or special reducing diets.



Engineer checks "bucket" unloading of new—super-capacity road-building machine on Dallas expressway project. Built by Le Tourneau, it can dig and haul bigger loads than any road-building machine previously available.

of a few years from now will have to withstand much higher temperatures. Ford recently announced development of a new steel alloy with exceptionally high tensile strength

to be used in the power unit of "tomorrow."

Plastics, too, will play an increasing role and will probably run the full color range but with added strength and durability. It is hoped that these new high-strength plastics will provide more transparent areas above the "belt-line" of our future cars. With increased areas of transparent materials the problem of how to shield passengers from the sun's glare and heat becomes an important one, but is minimized as research studies continue.

Travelling along the highways of the U. S. some ten or twenty years from now, we'll still see cars travelling on four wheels and at pretty much the same speeds. Electronic controls and increased safety features will certainly add to the pleasure of "motoring" as our cars . . . and the years roll on.



"Darndest change of pace I ever saw!"

Conferences



Following is a list of NMA educational conferences dealing with various phases of management development and leadership skills. Specific themes are included only when MANAGE has been informed by the conference leaders. Please make further inquiry as indicated.

• • •

NMA MANAGEMENT CONFERENCES

Apr. 11, 1959—Roosevelt Jr. High School, Middletown, Ohio, Sponsored by the Southwestern Ohio Council of NMA. *Contact:* John A. Domanick, Aeronca Mfg. Corp., Middletown, Ohio.

Apr. 13-17—"Unity in Management" seminar, Miami Hotel, Dayton, Ohio, Sponsored by The National Management Association. *Contact:* Dr. William Levy, Manager of Education, 333 West First Street, Dayton 2, Ohio.

May 2, 1959—Morris Harvey College, Charleston, W. Va., Sponsored by the Southern West Virginia Council of NMA. *Contact:* S. P. Carter, Montcoal, W. Va.

May 2, 1959—Mayo Hotel, Tulsa, Okla., Sponsored by the American Airlines Administrative Association, Inc. *Contact:* Richard S. Klan, American Airlines, Inc., Overhaul Supply Depot, Municipal Airport, Tulsa, Okla.

June 8-12—"Unity in Management" seminar, Miami Hotel, Dayton, Ohio, Sponsored by The National Management Association. *Contact:* Dr. William Levy, Manager of Education, 333 West First Street, Dayton 2, Ohio.

Mr. Foreman, M.C.



**Directly, and indirectly,
an effective role can be
played by the foreman
as a Marriage Counselor.**



by D. P. Flower

A GREAT MANY FOREMEN would want to argue with me if they heard me say that part of their job was to be a *marriage counselor*.

"Who, me?" Foreman Bill would say, "Why, I don't know the first thing about marriage counseling! That's for the specialists!" And his tone of voice would add, "That's for the birds!"

Nevertheless, the need for counseling today is so much a part of our civilization that we all have to be counselors, whether we want to or are well-equipped for the job or not. As a matter of fact, most of the counseling in the world is done indirectly, primarily by setting a good example. Even Foreman Bill will agree he is good at that!

However, I still maintain that he is called upon continually to counsel directly. Here are a few definite ideas that will help him to be more effec-

tive the next time one of his men pours a tale of woe into his ear and ends with a sigh, saying, "Aw, heck, what's the use of talking, or trying to do anything about it? My wife just won't cooperate."

There's your cue, Foreman Bill. The very first thing any marriage counselor has to do is to convince his client that there is something he can do! How? Well, just say so. Say, "Oh, but I think there is something you can do." That's easy, isn't it?

The Unhappy Husband will prob-

ably continue, "Nope. There's nothing I can do. Whenever I try to talk to my wife about anything, it ends in an argument and she won't apologize. If she'd just admit she was wrong—just once—it would help!"

Now you've got him just where you want him, Foreman Bill. You say, "Now, there's a good place to start. You know how hard it is to apologize when you're in the wrong, don't you? Well, your wife's no different. She's so mixed up, she can't apologize just because she *is* in the wrong. It's up to you to take the first step in making up."

While he's still giving you that dazed look of disbelief, go on to explain, "What have you got to lose? Try this idea of being first to apologize when you know you're in the right. You'll probably be dumbfounded to discover that your wife will begin to be more cooperative." It is true, you know, that once a person finds that he or she is being given a chance to save face and not being put in the wrong, he'll begin to cooperate almost in spite of himself. Yes, even wives!

Now, of course, in professional counseling, there is a lot more can be done, but if you can just get a person thinking about *doing* something positive instead of complaining, you've accomplished quite a lot.

What's that? You want to go on, Foreman Bill? O.K.

After an employee finishes his recital of grievances against his wife,

Author Flower speaks with authority and knows from first-hand experience that concerned foremen do play a vital role in counseling workers with various problems.

you might say, "Suppose your wife were here, and I asked her to tell me what's the matter with you? How do you think she'd answer?"

Usually the Unhappy Husband knows very well how she'd answer that question, but it helps to transfer the discussion from his private complaints to the functioning of the marriage as a whole.

Sometimes it is helpful to ask for a list of the ten principal complaints he has against his wife, ranked in the order of their importance. Even husbands who insist that everything is wrong usually have trouble thinking of ten, and the very absurdity of some of the points listed makes him realize his own foolishness. Then the foreman can concentrate on the two or three serious problems.

You know, one of the reasons people get into difficulties like our Unhappy Husband is because they lack imagination, resourcefulness and mere information to solve their problems. That's where the foreman in his role as counselor can help.

The conflict in this Unhappy Husband's marriage may be due largely to underlying faults of personality and to differences in background and attitude between husband and wife, but the symptoms, at least,

will usually be found around one or more of these points:

1. Finances, Division of Income and Handling of Budget. *You'll be surprised how few families live on a budget. Try suggesting the purchase of an inexpensive budget book and the adoption of a business-like method to help here.*

2. Management of Children. *Suggest that husband and wife get a common stock of knowledge of child guidance—there are lots of good books on the subject—and then maintain constructive discipline.*

3. In-Laws. *The husband's mother, according to all recent studies, is the most frequent source of difficulty. It's up to him to handle her.*

4. Social and Recreational Life. *Sometimes a suggestion of a congenial group that will help the couple develop a normal social and recreational life will take the conflict out of the marriage.*

5. Ego Outlet for the Wife. *Suggest to the husband that he let his wife know he appreciates her as a person, not just as a wife and mother of his children.*

6. Sex. *Often any difficulties here will disappear as the five other sources of trouble, just mentioned, are cleared up. If the maladjustment is deeper, this is a good time to suggest some professional marriage counseling.*

How about it, Foreman Bill? Are you still with me? Don't you agree that you are a marriage counselor?

If you would be interested in knowing more about the educational treatment of common problems of marriage, write to the American Institute of Family Relations (5287 Sunset Blvd., Los Angeles 27, California). They will be glad to supply lists of books and pamphlets that will be helpful to you.

And now, all this can be boiled down into four main principles:

1. Make a plan to get into action.
2. Don't take away anything valuable unless you suggest something better in its place.
3. Don't do any more than you have to.
4. Treat causes as well as symptoms.

Good luck, Counselor Foreman Bill!

WHERE TO CHECK

For those who counsel, or those who feel the need of counsel, the first approach may be made to their minister, priest or rabbi; additional contact may be made with the American Institute of Family Relations, at the address listed in the article above, or the Family Service agency in the community.

Either or all of these sources will provide aid and direction with sincere concern, always holding conversations in the strictest confidence.

SPACE AGE GLOSSARY

Ed. Note: Following our glossary of automation terms, (MANAGE, Mar., '59) we found the following in the "Sky-Gest" publication of the Douglas (Aircraft) Management Club, Santa Monica, Calif.

Administration—Das outgeschmardten Gruppe.

Celestial Guidance—Das schruballische schtargazen Peepenglasser mit kimputenratrancen Schteerenwerke.

Computing—Das schliidenruller Gruppe.

Computing System—Das Schmardallekwerke mit schruballische elektronikratrancen und alles gekinden tubenschstuff.

Contract Administration—Das tablepaunden Gruppe.

Control System—Das pullen-und-shoven Werke.

Countdown—Das klokkgewaschen mit laudischer bakken-up gekauten und schwetten.

Guidance System—Das Schteerenwerke.

Guided Missile—Das schientifiker geschutzwerke firenkracker.

Hydrogen Device—Das eargeschplitten Laudenboomer mit ein grosser Hollengraund und alles kaput.

Liquid Rocket—Das skwirten juvenkind Fireschpitter.

Management—Das ulzer-und-balden Gruppe.

Nuclear Research Team—Das whizkidden Gruppe.

Nuclear Warhead—Das eargeschplitten Laudenboomer.

Planning Section—Das schemen Gruppe.

Plant Protection Staff—Das lunchbachse gelooken Bunche.

Preliminary Design Section—Das uppen-der-Klaudsen Gruppe.

Preset Guidance—Das senden offen mit ein pattenbacker und finger gekrossen Schteerenwerke.

Project Engineer—Das Schwedderoudier.

Public Relations—Das braggen-und-schnoen Bunche.

Rocket Engine—Fireschpitten mit schmoken-und-schnortem.

Security Office—Das schnoopen Bunche.

Solid Rocket—Das schtick kindklaker-cigaretten Fireschpitter.

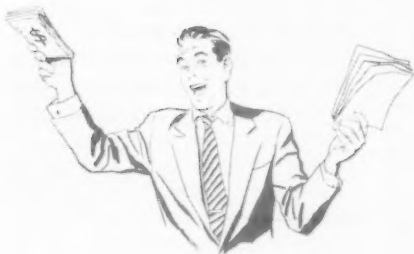
Structural Testing Section—Das pullen-aparten Gruppe.

Warhead—Das laudenboomer.

Wind Tunnel Engineers—Das buffen-puffen Gruppe.

INCENTIVE PLANS

Today, incentives are more important to small firms than to larger ones.



*by Beryl Weiner,
Coseco of California,
Los Angeles*

EMployee incentive plans of the types that have been adopted by the nation's industrial giants are no doubt good for some purposes; but if you try to use them in a plant of average size, you may soon find they have some serious disadvantages.

For example, if you offer lump-sum rewards to workers who suggest money-saving ideas, you may have to hire a staff of production experts to determine with reasonable accuracy what the employees' suggestions are worth.

Nevertheless, the general concept of incentives is more important to the small company than to the large one; for, economic conditions being what they are at present, it is difficult for the manufacturer with limited resources to earn a profit without the whole-hearted cooperation of his employees.

The question is, how can you get such cooperation without increasing your costs to the point where you

would be as well or better off without an incentive plan?

A Modified Version

In establishing Coseco's newest shop at Paramount, Calif., we decided the answer to the latter question might well be found in a modified version of the old "piecework" concept. This plan has now had a year's trial, and we are pleased to report that it has exceeded all expectations.

As it was employed in years past, the piecework idea frequently created more resentment than anything else. It usually involved the payment of miserly bonuses to a few workers who were able to exceed extremely high production quotas. A new ma-

chine operator, for instance, would be clocked while working at high speed—and producing, let us say, a thousand parts per hour. Then he would be told that, if he produced an additional hundred items hourly, he would receive a nickel bonus.

Workers who are wily enough to be clocked while operating at a leisurely pace could probably do fairly well under a system of the latter type. But there is no reason to believe that a company could derive much benefit from their services.

In fact, it is quite true that old-fashioned piecework—with its impossible standards and inadequate rewards—did much to evoke labor distrust of management, high turnover of personnel, and low standards of workmanship.

Wages and Profits—Raised

At Cosco, we had no thought of going to the days of the sweatshop. Contrarily, a close look at production records which we had maintained over a period of years in our original plant convinced us that we could double prevailing wages and still earn more money if we had employees who:

- (1) Would make a sincere effort to avoid handling damages and see to it that materials used in production were not defective in any way.
- (2) Operate machinery in a manner that would minimize downtime.
- (3) Put money-saving ideas to work as a matter of personal interest and initiative.

Needless to say, we realized that some things like handling damages and machine downtime could not be eliminated altogether. But we were hopeful that they could be greatly reduced by competent workers with proper incentives.

More Pay—Less Strain

In establishing minimum production levels for the Paramount plant, we used quotas somewhat lower than those that had been average in our original shop, to make sure that all qualified employees would be able to earn extra pay without straining themselves. Simultaneously, we decided to pay prevailing hourly wages (which now range upward from \$1.50 per hour) to workers who failed to exceed their quotas in any given pay period.

Our bonus rate is now such that a man whose base pay is \$1.50 can readily earn \$2.50 or more hourly if he is productive seven-eighths of the time each day (an hour being allowed for such non-productive activities as changes in machine setups).

In computing bonuses, we make no distinction between the man who has merely worked hard and the man who has adopted a time-saving idea. We feel that mental and physical forms of enterprise deserve equal encouragement. On the other hand, no man can collect a bonus for work that is not of acceptable quality—regardless of the reason.

Occasionally, a normally good worker with the best of intentions

will pull some prize blunder which could negate his right to a bonus for a period of days or even weeks. Because we have no desire to penalize the unfortunate, we make it a practice to recover the resultant loss by allowing the man to work at a reduced bonus rate over a relatively long period of time until the difference is absorbed.

Incentives Pay Off

There have been very few instances in the past year when everyone, from the shop superintendent down to our newest employees, failed to collect more than base pay for each week's work. And there have been no circumstances in which our profits were not substantially higher than they would have been if we had paid prevailing wages without incentives.

In the latter connection, we cannot too strongly stress the importance of quality control as related to maximum efficiency of production, less waste, greater customer satisfaction, and minimum office overhead.

Our incentive system has reduced defective products, improper packing, and other poor-quality factors to what we believe is an absolute minimum. Simultaneously, personnel morale has reached new heights, stimulating new ideas, in addition to higher standards of performance.

For example, one of our employees recently introduced a new stacked-

template method of heat sealing polyethylene that makes it possible for us to obtain special tooling for limited production purposes at an unprecedentedly low cost.

Our Paramount plant is one of three shops now operated by Cosco. It has 5000 sq. ft. of floor space and specializes in the production of polyethylene bags and related items, including drum and carton liners, large covers, curved-bottom bags, tapered shoulders, garment covers, bags with lips, special perforations, cut-to-size sheets and circles, and special shapes.

"Please—Don't Interrupt!"

We are especially proud of the personnel in this plant and feel that, among other things, they have what it takes to work out many of the industrial applications that remain to be found for polyethylene—the least expensive and most durable of the new transparent packaging materials.

The conscientiousness of our Paramount workers is illustrated by a recent incident in which the writer approached a busy machine operator to ask how a job was progressing. Before the query could be voiced, the operator looked up with a worried expression on his face and said:

"Please, Mr. Weiner, don't interrupt me now. If I can keep these bags running smoothly, I'll earn double pay again today!"

Diplomacy is the art of getting something as though you were giving it.

Problem Corner

by Prof. James Foley

Prof. Foley is associated with the Graduate School
of Business Administration, Harvard University.

THE PROBLEM

This situation presents an example of an employee not following the planned job method. The job requires the handling of a casting weighing between 40 and 50 pounds. The planning department decided (in agreement with the foreman) that an overhead hoist was necessary from a safety standpoint. The job was time studied with the worker using this method, and the appropriate price was set.

After 3 months of operation under this method, the operator on the second shift stopped using the hoist because he could work faster by moving the castings manually. His earnings increased an average of \$0.75; from \$1.25 to \$2 per hour while the earnings of the first shift operator, who continued to use the hoist, averaged \$1.30 per hour.

What should the foreman do in this case?—Submitted by A. O., Birmingham, Mich.

• • •

Your answer to this problem should be submitted to Problems Editor not later than April 30, 1959. Prize winning answers will appear in the June issue.

Readers submitting problems or solutions, chosen for publication by Professor Foley, will receive \$10 cash awards and special certificates of citation.

Problems should not exceed 500 words in length and may deal with any operating area of management such as: scheduling, methods, wage administration, maintenance, plant utilities, plant layout, quality control, inspection, cost reduction, scrap, rework, equipment, et cetera. Problems should be submitted to the Editor, MANAGE; 333 West First Street, Dayton 2, Ohio.

4 YEAR SPENDING INCREASE

45
%

Despite the general attitude, military spending is not to blame for mounting federal spending. Welfare-state expenditures have risen five times greater than defense.

If defense spending increased at the same rate as nondefense spending, the total budget would be about \$94 billion.

13.5
%

Had nondefense items risen no greater than defense, budget would be about \$73 billion.

(Proposed budget may be \$77-80 billion)

NONDEFENSE DEFENSE

MANAGE

This Business of Spending

CONSUMERS WILL PROBABLY SPEND more money this year, for just about everything, than during the last few years. On the average this is true. However, there are some areas where percentages will be down.

The predicted increase in consumer dollars spent may not be due entirely to more freedom or a relaxation in family spending spree, but can be traced to some increases in prices. But the past few months have shown a fairly steady hold on prices without too much rise.

Old American Custom

Actually, the percentage of families currently planning to buy . . . new or used cars, homes and clothes, are definitely on the increase over last year. Furniture and appliance sales are not expected to show much gain, and may even be down by comparison with 1958. It is the

amount most families plan to spend which will make the difference.

Planning expenditures for home and personal appearance is an old American custom. It is how much money families agree to spend which can make or break the local merchant.

Optimism Reflected

Many consumers, for example, have expressed some remorse for not having done their buying last year when prices were a little softer; not much, but some. According to a Federal Reserve System survey, the increased buying plans across the nation, do reflect some optimism not enjoyed last year.

Times look better now and even food prices are not much higher. As a matter of fact the old cost-of-living index figure has gone up a mere 1.2 per cent.

Ordinary Horse Sense



*... we call it psychology . . .
whatever it is, we can all
use a good dose.*

by Clarence G. Scholtz

AFTER THIRTY-EIGHT YEARS IN THE BUSINESS WORLD, I am convinced that management almost everywhere has missed the boat in the handling of employees simply by overlooking the fact that the dictionary contains, among many, one word *psychology*.

I do not mean the college degree and diploma type of psychology, for that is only for the professionals. I refer to the common, everyday type, often called ordinary horse sense.

My position makes me a company man but one who is the biggest booster for the little fellow, the employee upon whom really rests the success or failure of an organization.

What makes these employees tick? First of all, nearly all who come direct from school into a business come with some degree of ambition. To be sure, the schools may have given them ideas of grandeur which must be changed to every day hard facts of business life, but they come ready and eager to learn and climb the ladder of success.

What usually happens? They are

assigned to some department whose head has undoubtedly come up from the ranks, is hard-boiled and knows his work, in fact, he is an expert in that particular line of endeavor and expects the new generation to do as he did when he came to work many years ago . . . and is proud of the fact that he will not stand for any nonsense.

Usually very promptly, there will be a conflict of ideas, the age-old misunderstanding between youth and age. The supervisor is extremely busy, has no time to molly-coddle the new employee and the situation soon deteriorates to an armed truce which certainly does not help the organization get things done.

Particularly is this situation extremely dangerous when a competitor

has the good fortune of having supervisors and department heads and yes, even executives, who understand human nature; the feelings of the employees and who know exactly how to handle these new employees and the old ones also.

How did the competition find these super supervisors, department heads, and executives? Not by the law of chance, but, more probably, by recognizing the fact that all employees have an ego; some more than others, but all have it, and by preparing a program of education along the lines of psychology and the art of handling people. Many companies spend considerable sums of money sponsoring and operating schools to train men and women to be experts in their field within the organization. They are trained to be experts in technology, master mechanics, super salesmen, the best office managers, but alas, devoid of that important faculty of being able to handle their fellow employees and their staff. If competition has solved the problem and you have not, who will get the good business?

How often have we seen good technicians promoted to be supervisors, department heads and even executives, yet they have never found out that you can say *No* more than one way. If it is said with arrogance, or superiority, nothing but resentment remains with the employee no matter how correct and right the supervisor is. Resentment can reduce production by unbeliev-

able percentages or may even lose that employee.

If, however, *No* is explained logically, sympathetically, and with a friendly attitude, the employee, while still being disappointed, will take the decision in a more philosophic manner.

I am convinced that every supervisor should go through a course of training which includes psychology and the art of handling people. This should be conducted by someone outside the company organization. Whatever the cost may be, it is worth it.

Most often the successful manager or executive is the one who makes you feel important. He asks you for your opinion. He discusses some of his problems with you; acts as though he appreciated your endeavors and had confidence in you and your ability. The result—you will break your back trying to live up to his expectations. These leaders are not always born that way. Many times they have acquired the knack of getting results from a course of instruction by experts.

If the course of instruction is complete, you will seldom see the all too common example of a good fellow receiving promotion to an important position where instantly he be-

How important does the boss make you feel?

comes an entirely different person; aloof, arrogant, superior, cold, sarcastic and a target for unprintable comments by fellow employees. How many thousands of dollars have those individuals cost their respective organizations because they had never learned that, regardless of position, failure to feed their associates' ego costs money?

Executives should keep in mind the comments of Robert West—"Nothing is easier than fault-finding; no talent, no self-denial, no brains, no character are required to set you up in the grumbling business."

How often have we witnessed a department head criticising an employee in a loud, angry display of emotion. Result . . . employee resentment, sometimes so upsetting it takes considerable time for the employee to compose himself and get back into production. Yet another properly instructed department head handles the same situation in a friendly, helpful attitude which makes the individual resolve to do much better thereafter. Is psychology needed in business? It sure is, and everyone can begin his own private practice today.



Gloves, cap and uniform prevent grease spots and scratches, assure a clean surface for application of sealant and final coating to the inside of a Boeing B-52G wing section. The B-52G employs the "integral wing" principle, where wing sections themselves serve as fuel tanks.

SUGGESTION SYSTEMS



Here is a complete presentation of a highly successful suggestion system . . . that works.

by Robert Dymont

WORLD FAMOUS CHECK MANUFACTURERS and check printers, The Todd Co., Rochester, N. Y., a division of the Burroughs Corp., has been operating one of the most successful suggestion systems to be found in the industry—a suggestion system that has resulted in increased plant safety, savings in various production methods and reduction in various office operating costs for the company.

This suggestion system is one that other plant executives, plant managers and plant engineers could use as a sample in setting-up their own program.

Todd executives have found that a highly efficient suggestion campaign, bringing awards to their more than 2200 employees, can result in the savings of thousands of dollars each year.

Employees of Todd can win a lighter with their name on it for accepted suggestions turned in. This is in addition to cash, the amount depending on the suggestion's value. There is no federal income tax on the award money, since the tax is paid for the employee by Todd. Also, on the lighter is an alert little character known as "Willoughby Smart." He is a Burroughs Corp. creation and

his presence on the lighter an employee wins signifies to all that the employee has used the brains God gave him for something besides the routine things of life. The lighter has a quotation from "Willoughby Smart," which says, "Work Smarter with Suggestions."

Some tips suggested by Todd to their employees when thinking of suggestions are as follows: 1. Pick the job you want to improve; 2. Detail exactly what is being done now; 3. Ask "Why" with an open mind; 4. Decide on the better way; 5. Turn in the suggestion.

What makes this suggestion campaign of Todd's so successful and how does it operate? To make a "suggestion campaign" a successful operation, requires planning and smooth coordination. The following

12 points give the basic operating scope of the Todd suggestion campaign.

PURPOSE: The purpose of the Todd Suggestion System is twofold:

1. To encourage employees to think constructively about their work, thereby developing among them greater interest in their work, greater initiative and better performance on the job. 2. To enable the company to obtain the benefits of any sound ideas which the employee may have for the improvement of any phase of the business, with a fair award for their use.

SCOPE: The Suggestion System is to invite any and all suggestions that will help to promote:

1. Savings: (a) Measurable:— Reduce operating costs without decreasing wages or reducing quality; decrease waste of all kinds; time, effort, material, power, space, etc.: Improve methods and/or processes: Substitute cheaper tools or materials that will accomplish the same purpose: Increase of product or salvaged material: Develop new products or open up bigger markets for old products.

(b) Unmeasurable: — Improve quality of products: Improve machines and/or equipment.

2. Safety:—Promote safety and health: Eliminate or reduce fire hazards.

3. Convenience: — Bring about closer cooperation and better team work: Improve working conditions.

4. Maintenance: — Suggestions concerning routine maintenance procedures will be classed as complaints. These should be phoned into the plant engineer's office. If suggestions concerning these are handed in, the suggester will be notified of this before repairs are made. If such repairs have not been taken care of within 30 days after the complaint (unless repairs are held up waiting on parts,) then the subject is open for suggestion.

ELIGIBILITY: All employees of the company shall be eligible to participate in the suggestion system, subject to limitations. For instance, under this heading of *Eligibility*, department heads, foremen, superintendents, draftsmen, staff members, set-up men, experimental department employees, time study men, and engineers are not eligible for cash awards for suggestions pertaining to anything within the scope of their daily activity, since suggestions from such persons are part of their obligation to management. (The above persons are eligible for cash awards for accepted suggestions outside the scope of their positions.)

AWARDS: Awards are made when suggestions are of a kind that can be accurately evaluated on a basis of 25 per cent of the first year's savings. Tool and equipment costs will not be assessed against the award. All safety suggestions must be submitted to the Safety Director

as well as the investigators immediately concerned.

Suggestions which have merit and which would justify an award if they could be adopted, but which cannot be immediately adopted for reasons beyond the control of the company, an interim award will be made of an amount equal to approximately 25 per cent of the award that would be made could the suggestion be approved. The suggestion will be placed in follow-up for periodic review. The balance of the award will be made if the suggestion is put into practice at a later date.

Awards of \$500 or more are to be submitted to the executive committee for review and approval so that they may be informed of the details of suggestions of such importance, and because it is a normal practice to have the committee approve all company expenditures of \$500 or more. Suggestions which the committee feels merit a greater award than covered by the suggestion policy will be sent to the executive committee for their evaluation and recommendation.

In the event of duplication (both dated the same and having the same idea) a split award will be granted. The company reserves the right to accept or reject any suggestion.

ADMINISTRATION: The Personnel Department shall be responsible for the administration of the suggestion system.

A. A committee chairman shall be appointed to operate the system within the limits of this policy. The chairman's functions shall include the following: a. Determine classification of suggestions; b. Conduct suggestion committee meetings; c. Make preliminary evaluation of suggestions; d. Develop and maintain procedures; e. Maintain appropriate records; f. Make recommendations with reference to policy and operation as experience indicates.

B. There shall be a Suggestion Committee comprised of eight members appointed by management, serving indefinite terms and eight members elected by the employees to serve a one-year term. The committee's functions shall be as follows: 1. Evaluate suggestions; 2. Approve or reject the decisions of the investigators. (The majority rules.); 3. Make recommendations with reference to policy and operation as experience indicates.

C. The committee should meet regularly at appointed times not less than once each month.

D. No elected member may succeed himself.

INVESTIGATION: The investigation of a suggestion shall follow such course as may be necessary in gathering factual information or opinion. Lines of established authority and responsibility shall be observed. All suggestions shall be held anonymous during the course of the investigation. (Continued on next page)

WAITING PERIOD: Introduction of new or modified tools, equipment, methods, systems or products may be accompanied by problems that must be worked out through experimentation or practice or may require conversion time. Where such circumstances are present, the subject may be held "not open for suggestion" during a reasonable development period. This period is normally considered to be six months.

PERIOD OF ACTIVITY: All rejected suggestions will expire two years after the date of rejection. A duplicate suggestion submitted after the expiration date will be assigned a new number and will be considered original for another two year period.

ASSISTANCE IN SUGGESTIONS: Proper help by the department heads, superintendents or committee members should be given employees who have new ideas but find it difficult to express them in writing. Sometimes an employee may have an idea which will require considerable time to develop for proper presentation to the committee. In such a case the employee should file a suggestion outline thus protecting himself against the possibility of some other employee submitting his idea or getting credit for it. The suggester will be eligible for the benefits resulting from the program worked out as a result of his ideas, even if the final action is a substitute or a variation of the

original idea. "We pay for the idea, not the necessary solution."

ORAL SUGGESTIONS: Employees who do not speak English or who are unable to write, are given the privilege of calling on the chairman with an interpreter if necessary. The chairman will draw up the suggestion in regular form and enter it in the regular routine.

APPEALS: The suggester has the right to appeal the decision of the committee in case he is not fully satisfied with the action taken. To obtain reconsideration for his idea, it is sufficient for him to apply to the chairman or any member of the committee or his foreman. The suggestion will then be reconsidered providing some logical reason is given for re-opening the case. In the event that the committee feels that the suggester could better clarify the suggestion, the suggester may be invited to meet with the committee and present his case; in all instances, leaving the room before the voting.

COMMITTEE RULINGS: In making awards where the direct savings are very small but the intangible aspects of the suggestions have outstanding merit, the committee may make an additional award of from \$5 to \$25 depending upon the degree of merit.

In the Machine Division where job runs are normally of a short duration, any new form of job will be open for suggestion following the first production run.

A SHORT HISTORY OF GOVERNMENT



by L. K. Sknul

TODAY MORE THAN EVER BEFORE, industry and government are mutually dependent. It is essential for the thinking management man to have a clear picture of government; its aims, its purposes, and its goals. But government did not just appear. To understand what modern government is about, one must comprehend something of its history. Here is a short description of the more important historical events that led to our present governmental structure.

Early beginnings

Government could not exist without someone to govern. But no one was willing to govern until some means was devised of paying them salaries. Not until the 16th century B.C. was this means, taxes, discovered.

Clay tablets recently excavated from a royal tomb¹ in the Tigris Valley describe the system of taxation devised by Sittite² the Hittite. A large gold idol was set up in the central square of Assurburbia, his capital city. Each year the farmers from the surrounding territory would come and pay their taxes by passing gold coins through the nostrils of this statue to the priests who waited within. There is no doubt among

archeologists that this was the origin of the expression "to pay through the nose."

No further progress was made in the science of government until the days of the Greek and Roman empires. The Greeks and Romans were the first to use government advisors. These were usually oracles or sibyls who lived in caves on mountains and to whom the ancient leaders would go for advice in times of

1. There is some disagreement on this point by archeologists. Eustice Black in a paper recently published in *Dig* (*The Journal of the Eastern Archeological Society*) claims that the supposed tomb was actually a cesspool.

2. Sittite was honored with this name because never once in all the campaigns with his army did he fall off his horse.

trouble. The sibyls employed large staffs of servants to escort the visiting dignitaries around the caves, to sew together³ important government scrolls, and to supervise the hiring of more servants. These men were the ancients' contribution to our modern government. Where would we be today without sibyl (or, as they are more commonly known, civil) servants?

English contributions

Not until the Twelfth Century in England was the next step forward taken in government. That step was the introduction of popular government. Ever since the invention of taxation, government had been decidedly unpopular. But Henry the Most of England set everything straight. By official proclamation in 1112 AD he declared government to be popular. Anyone who still said it was unpopular was immediately put to death.

Elections soon followed the advent of popular government. Originally the election took the form of a twenty-foot lance. The candidate favored by the king rode a large, powerful white horse and carried a twenty-foot lance. The candidate backed by the opposition rode a small black mule⁴ and was armed with a two-foot wooden sword.

After the knight on the white horse had knocked his opponent off

his mule, all the king's friends would gather in the royal pavilion for a celebration. The supporters of the defeated knight would pick up their champion and retire for a blast of their own. These were, of course, the original political parties.

Government in the New World

America too made her contributions to the art of government. Perhaps the most significant of these was made by Herman Gott, a Pennsylvania farmer, at the time of the American Revolution. It was the darkest period of the war. The Continental Congress had just fled Philadelphia in front of the advancing British army. Several of the congressmen took refuge on Herman's farm. Herman had just built himself a new tool chest with four large sliding drawers for the storage of his chisels and rasps. It was in this chest that the congressmen hid their important papers to keep them out of the hands of any British patrol that might chance by. The chest worked so well for keeping papers hidden that when the war ended, the congressmen ordered a dozen similar chests for their offices in the capital. When placing the order, the congressmen asked Herman what he called his chest. Herman thought a long while and then replied, "Usually I just call it my file cabinet." And thus we have Herman Gott to thank for the millions of file cabinets in government offices across our nation today.

3. Paper clips were not yet invented.

4. Obviously the origin of the expression "dark horse candidate."

ACT ON FACT

by James Black

MARY SMITH WAS FIRED! It had happened so suddenly she couldn't believe it. Mary had worked for her employer more than five years and thought herself an "old timer;" a veteran on whom the company depended when there was pressure on the assembly line.

Her record was better than average. No disciplinary offenses. High production—at least in comparison with most of the other employees in her department. Yet here she was—dismissed. And all because of an argument she had with a man we'll call Mr. Crowley, her foreman.

Mr. Crowley said Mary was insubordinate, that she refused to obey his orders. But Mary was convinced that Mr. Crowley hadn't been fair. It was true, she admitted, she lost her temper, but there had been provocation. What's more, she hadn't intended to disregard her foreman's instructions. The trouble was she hadn't understood them clearly.

Mary Smith was angry. She was certain she had been singled out for discriminatory treatment—that her boss was trying to make an example of her. She filed a grievance. Finally it came before an arbitrator. But

that's getting ahead of the story. Let's see what actually happened.

Mary Smith's Job Assignment

Mary Smith's company manufactured wooden fruit and vegetable packages. She was a grader and with several other employees in her classification worked at the dry end of a wood drying kiln. Her assignment was to pick up wood stock as it came from the kiln, reject the unsatisfactory pieces, stack the acceptable ones on tables. Usually five people were employed at this work. However, the actual number depended on the job—the size and type of wood stock being processed. Sometimes three or four persons could perform the operation satisfactorily. Each grader was assigned a position—numbered from 1 through 5—and required to pick up stock as it emerged from the kiln.

On the day of the incident that

led to Mary Smith's dismissal there were only three other persons in the working crew and they were stationed at positions 1, 2 and 3. Mary Smith was assigned to position 4. Position 5 was vacant. During the shift foreman Crowley, making his regular inspection tour, observed that the stock from the number 5 spot was not being handled and was falling on the floor.

"Mary," he called, "move down to number 5. The rest of you spread out and cover. We must handle all positions."

Up to this point there is no basic difference of opinion between the supervisor and Mary Smith over the chain of events that led to the argument which resulted in the accusation of insubordination against her. But from here on the testimony is conflicting.

Foreman Crowley maintained that his instructions to the employees to work the number 5 position were entirely disregarded while he was away from the kiln. He added that Mary Smith's refusal to obey his orders compelled him to report the incident to his superiors, who advised him the only possible way to deal with flagrant insubordination was to dismiss the offender. This he had done.

Mary Smith stoutly defended her action. "I moved to the number 5 position just as Mr. Crowley instructed. When I did so the stock from number 4 began to pile up. The other employees continued to

work at only one position: Number 4 was unattended. I did not disobey my foreman's orders. I understood him to say all graders were to spread out. The others did not. This left me trying to work two spots."

Pro and Con

There it is. Management claimed insubordination. The employee denied the charge. The dispute could not be settled under the ordinary grievance process. An arbitrator was called. Here is what the company said in defense of its action:

"The discharge was for just cause. No grader is assigned to a definite kiln position. Under all circumstances it is necessary for the end positions to be manned. Otherwise the inside



"Care to test them, sir?"

positions cannot be properly worked. The grievant as one of four graders was assigned only one-fourth of the work area. She was not asked to do more work than the others as she claims. Therefore Mary Smith disobeyed a fair, legitimate and clear order when she refused to follow her foreman's directions. This refusal constitutes a just cause for discharge."

"Does the company have the right under the contract to request four graders to do the work of five?" inquired the arbitrator.

"There is no set number of people in a grader crew," was the reply. "It depends on the volume of work."

The company then called a male employee who had helped the women catch up with their production on the day Mary Smith was dismissed.

"I assisted these employees that day," he stated, "and they were all behind. Stock was on the floor in all five positions. It is quite customary for graders—whatever their number—to spread out so that the tasks can be evenly divided."

The union did not dispute this fact, and the arbitrator appeared satisfied that Mary Smith had not been asked to do "extra" or unusual work, or that the foreman's order violated the contract in any way.

In defending the action of Mary Smith the union said, "This discharge was without cause. Specific instructions were not given to the employee alone. The orders were directed at the entire group. Therefore it was not fair to single out one person for

punishment. Mary Smith did more than her share of the work. She attempted to obey the supervisor. What the company really should have done was to assign another grader to the job when it saw that four were not enough."

Mary Smith testified in her own behalf. "I worked both four and five positions for more than an hour without assistance from anyone. The other people would work only one position. Because no one else 'spread out' and I could get no help I went back to the 4 position, where the stock was piling up. When Mr. Crowley told me to go back to 5 position I explained I was getting no assistance, that the other girls had not 'spread out' to cover the operation. He said, 'You'll hear about this,' and left. I returned to the 5 position and I was working there when he returned and told me to punch out and go home—that I was through. I did not intentionally disobey Mr. Crowley. I thought his orders to 'spread out' applied to all of us—not just me."

The Reasoning of the Arbitrator

The arbitrator had listened carefully to both arguments. In explaining his decision he said, "The agreement does not restrict the company's right to discharge its employees. However, such a right cannot in justice go beyond the irreducible minimum of 'just cause.' Though the agreement is silent on this point, to allow an employer to discharge

employees without 'just cause' would destroy the foundation of labor-management contracts—job security. In this case the company bases its discharge on 'just cause'—the alleged failure of Mary Smith to obey and respond to a reasonable order of her supervisor.

"The union does not question the legality of the order. It defends the action of its member on the ground that a specific and understandable order was not received by her. Both the union and the company agree that an employee may be fired for 'just cause.' But the union says that under the circumstances of this case the company did not have 'just cause' for discharging the grievant.

"Mary Smith testified that she understood the foreman's order to be for all four graders to 'spread out' and that she did not understand him to direct her individually to move into number 5 position. It is immaterial whether or not the company was correct in assigning only four graders to the dry end of the kiln since we are not concerned with the grievant's failure to work but rather with her failure to work at a particular station. The quality and quantity of her work is not in question, so the issue is simple. Did Mary Smith fail to do her work at the position assigned her by her foreman? Evidently she did, for the company is right in its point that unless the employee moved to the end of the line it would be impossible for all of the stock to be worked by the four

graders. So long as Mary Smith stayed at position number 4, of necessity the stock in position number 5 went untended. To handle it employees at the other positions would have been required to go around Mary Smith.

"The grievant was wrong not to have taken the end position. Her experience on the job must have taught her that the number one and five positions had to be worked either at positions 1 and 5 or at positions 2 and 4. Her belief that the other graders were uncooperative certainly did not justify her refusal to perform assigned work at number 5.

"Management's right to direct its work force in a manner not inconsistent with the agreement is clear. This right must be protected. Insubordination and refusal to carry out legitimate orders cannot be tolerated. However, the penalty was too harsh for the infraction. The company imposed the full penalty of discharge for the grievant's first offense in an occurrence not sufficiently important to the operation of the plant to justify such drastic action. Therefore, in my opinion the discharge was too severe, but the employee was nevertheless subject to discipline. I commute the penalty to one month's layoff."

Discussion of Case

Mary Smith was returned to her job, but her punishment—a 30-day suspension—probably taught her a lesson in discipline. She was clearly



"Jones, I've got a novel way to economize . . . I'm going to pay you what you're worth."

insubordinate. Her experience on the job had shown her that it was essential in a "spread out" to cover the end positions. Therefore, even if she had not been personally directed to take the number 5 position she would have had little excuse for failing to do so under a general "spread out" order which could not be executed unless she moved down one place. Therefore, whether or not Mr. Crowley actually told her to "take number 5" is of little consequence. He said he had. The chances are he was correct.

Mary Smith's trouble did not come from her failure to understand an order. She was annoyed and angry with the other employees who, she believed, were not doing their fair share of the work. Originally she had shifted to the number 5 position—had even worked it for an hour,

proving Mr. Crowley's statement. But when she saw that her co-workers were asking her to handle two positions while they continued to take care of one, she began to burn slowly.

You can understand her mental state and her reasoning. "I'll fix them," she probably thought. "If they won't 'spread out,' neither will I."

Back she went to the 4 position, determined to stick to her guns and do no more than the minimum assignment. When Mr. Crowley returned and reprimanded her she became furious.

"Why pick on me?" she reasoned to herself. "He should be lecturing the others. They are at fault."

In this frame of mind her judgment deserted her. She put herself in the untenable position of refusing to obey a direct order. Yes, Mary Smith was insubordinate. There is no argument about that. But if our hypothesis is right, the reasons for her insubordination—were probably very human—frustration, anger, and stubborn pride.

The Foremanship of Mr. Crowley

What about Foreman Crowley? Was his supervision soundly effective? We can only deduct from the available facts, but more than likely he was angry, too. He came back to the wood drying kiln to find that his reasonable instructions had not been followed. Mary Smith, working the number 4 position, was the obvious

culprit. She had not moved to the number 5 position as he had directed, and as her job experience told her she must do. She became insubordinate when he repeated his orders. Her stubborn refusal caused him to take disciplinary action. The sequence of events seems clear enough. You have no difficulty in tracing the problem from its cause to the result.

Shall we consider what might have been? There are some searching questions Foreman Crowley might have asked himself regarding the soundness of his supervision. This is the first one.

"Were my orders clear and comprehensive?"

The obvious answer to that one is "Yes." Therefore Mr. Crowley might have concluded, "Mary Smith knew what she was supposed to do. Why didn't she do it? Outright contrariness? Not indicated on her record. A bad humor? Possibly. But what caused it? There must have been a reason."

In his search for the reason Foreman Crowley might have thought, "Mary Smith claimed she was getting no help from other employees. Her readiness to blame them could indicate several things. First, she hoped to excuse her own mistake by accusing others of causing it. This isn't likely, however. The record shows Mary was a good worker.

"If Mary's charge that the other employees were shirking their jobs while she did double work is even partially true, would it be fair to

discharge her and let the others off scot-free? Mary deserves punishment, but the penalty must be in line with the offense. Why would the other employees refuse to help? Do they dislike Mary because they think she works too hard, tries to kill the job? Is she a trouble-maker? Was she simply having a bad day? Or did the entire group think an additional grader should be assigned to the operation? If so, am I right to put the entire blame on Mary Smith?"

Of course, it is impossible for us to do more than speculate on these possibilities. But Foreman Crowley knew Mary Smith and was in a good position to answer the questions accurately. Had he applied his intimate knowledge of the personality traits of his subordinates he might have put his finger on the reason for the attitude of Mary Smith. This, very possibly, might have led him to a different course of action.

It's easy to second guess. We don't know what Foreman Crowley really thought. But we can imagine he was angry. Suppose, however, he had controlled his anger, justified though it was, and taken Mary Smith aside to ask for an explanation. He would have avoided a public argument and a public reprimand. Perhaps he did this. If so, there is not evidence of it in the testimony.

The very absence of such testimony suggests what may have happened. Foreman Crowley returned to his work area. His orders had been disobeyed. Instantly he saw that

Mary Smith was "provably" guilty of disregarding his instructions. Her associates, although their actions may have contributed to Mary Smith's behavior, were at their posts carrying out their normal assignments. Or so it seemed.

The foreman, possibly misguided by surface appearances, directed his fire at Mary Smith. She, also angry, retorted sharply, implicating the others in an attempt to defend her action. An argument followed. It led to the employee's dismissal.

As hindsight experts we could say that if Foreman Crowley had avoided an open dispute with an angry employee he might have been able to solve his problem without resorting to the drastic punishment of discharge, and so saved the time and expense of an arbitration. Mary Smith disobeyed his orders. She deserved punishment. But had he heard her explanation of her conduct privately, he would have had better control of events. Undoubtedly Mary Smith would have told the same story, even had she seen her foreman alone. But she would probably have exercised more restraint in telling it, since no audience would have been present. The supervisor could have replied that the actions of other people were no excuse for her to refuse to obey an order, that the grievance procedure was available to her if she believed she had been unfairly

treated. At this point he might have given her a short suspension. Or he might have sent her back to her job with a reprimand. Had he chosen the second course he could have told the entire group, including Mary Smith, that he expected them to carry out their assignments in a satisfactory manner and would brook no nonsense.

Such a demonstration of firmness might have done the trick. But once Foreman Crowley permitted himself to become trapped in an open argument with an employee, a mole hill became a mountain. He gave himself no alternative but to impose severe discipline.

Insubordination cannot be tolerated. That is why an experienced foreman does not force situations that might lead to instances where insubordination is likely to occur, except in cases where he is faced with a "bad actor" or the emergency is extreme. This does not mean his discipline is lax. It simply means he applies it with judgment. He gives the employee a "face-saving" out in circumstances where anger might prompt regrettable actions. This takes keen analytical ability, a knowledge of the character of employees and their job records, patience, understanding and firmness. It also demands self-control. But these are the qualities of alert supervisors. They are the qualities of leadership.

This case is based on one described in the Labor Relations Reporter. It has been altered to illustrate certain principles of foremanship.

REPORT TO THE MEMBERSHIP (Continued from page 2)

Another facet of the NMA is a steady campaign, on the national political scene, in business, and in the public eye, for recognition of management men and management teams as professionals who make the biggest contribution of all people to the American way of living. The NMA has always considered this as the second part of our major objectives. First we want to develop managerial leadership. Then we want to gain recognition of this professional management, through a long-lived campaign to educate the entire nation with the manager's contribution to American society and particularly to our free, independent economy.

* * *

I've talked about leadership development, building a climate of professional management and getting recognition for our accomplishments and contributions. All three have been with the Association since it first was formed 34 years ago. All three will remain with us over the years to come, I'm sure.

While national directors, club officers and staff members canvass for new clubs and new members for old clubs, each member has his part. You can boost your contribution several times over by getting others to join with us in our move for better management.

You will do them a great service in offering them a part in our Association. For if they will take advantage of the opportunities available, they will reap many benefits for themselves, their families, their company and the country as a whole.

I urge you to join with us in letting others know about our work and the advantages they can earn as a participating member of the NMA.

NMA CLUB ANNIVERSARIES

APRIL: 15 years—*Dole Valve Management Club, Morton Grove, Ill.*; 10 years—*Syracuse Management Club, Syracuse, N. Y.*; 5 years—*Diamond Unity Club, Lancaster, Ohio*; *Southeast Division Supervisors' Club of the Alabama Power Co., Eufaula, Ala.*

MAY: 15 years—*Dahlstrom Management Association, Jamestown, N. Y.*; *Mirro Management Club of Two Rivers, Two Rivers, Wisc.*; 5 years—*Husmann Canada Management Club, Brantford, Ontario, Canada*; *Management Club, Hughes Tool Co., Aircraft Division, Culver City, Calif.*



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